

**Fifth Series, Vol. LXII, No. 42**

**Wednesday, May 19, 1976  
Vaisakha 29, 1898 (Saka)**

# **LOK SABHA DEBATES**

**Sixteenth Session  
(Fifth Lok Sabha)**



सत्यमेव जयते

**LOK SABHA SECRETARIAT**

**NEW DELHI**

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# LOK SABHA DEBATES

I

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## LOK SABHA

Wednesday, May 19, 1976/Vaisakha 29,  
1898 (Saka).

The Lok Sabha met at Eleven of the  
Clock

[MR. SPEAKER in the Chair]

### PAPER LAID ON THE TABLE

TRACTORS (DISTRIBUTION AND SALE) CENTRAL (2ND AMENDMENT) ORDER, 1976 AND REVIEWS AND ANNUAL REPORTS OF BHARAT HEAVY PLATE AND VESSELS LTD., VISAKHAPATNAM AND BHARAT PUMPS AND COMPRESSORS LTD., NAINI ALLAHABAD, FOR 1974-75

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY AND CIVIL SUPPLIES (SHRI A. C. GEORGE): I beg to lay on the Table—

(1) A copy of the Tractors (Distribution and Sale) Control (Second Amendment) Order, 1976 (Hindi and English versions) published in Notification No. S.O. 318(E) in Gazette of India dated the 27th April, 1976, under sub-section (6) of section 3 of the Essential Commodities Act, 1955. [Placed in Library. See No. LT-10871/76].

(2) A copy each of the following papers (Hindi and English versions) under sub-section (1) of section 619A of the Companies Act, 1956:—

(i) (a) Review by the Government on the working of the Bharat Heavy Plate and Vessels Limited, Visakhapatnam, for the year 1974-75.

(b) Annual Report of the Bharat Heavy Plate and Vessels Limited, Visakhapatnam, for the year 1974-75 along with the Audited Accounts and the comments of the Comptroller and Auditor General thereon.

[Placed in Library. See No. LT-10872/76].

(ii) (a) Review by the Government on the working of the Bharat Pumps and Compressors Limited, Naini, Allahabad, for the year 1974-75.

(b) Annual Report of the Bharat Pumps and Compressors Limited, Naini, Allahabad, for the year 1974-75 along with the Audited Accounts and the comments of the Comptroller and Auditor General thereon. [Placed in Library. See No. LT-10873/76].

### ALL INDIA SERVICES (PROVIDENT FUND) AMENDMENT RULES, 1976

THE MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS, DEPARTMENT OF PERSONNEL AND ADMINISTRATIVE REFORMS AND DEPARTMENT OF PARLIAMENTARY AFFAIRS (SHRI OM MEHTA): I beg to lay on the Table a copy each of the following Notifications (Hindi and English versions) under sub-section (2) of section 3 of the All India Services Act, 1951:—

(1) The All India Services (Provident Fund) Amendment Rules, 1976, published in Notification No. G.S.R. 630 in Gazette of India dated the 8th May 1976.

(2) The All India Services (Provident Fund) Second Amendment Rules, 1976, published in Notification No. G.S.R. 631 in Gazette of India dated the 8th May, 1976. [Placed in Library. See No. LT-10874/76].

### NOTIFICATION UNDER NAVY ACT, 1957

THE DEPUTY MINISTER IN THE MINISTRY OF DEFENCE (SHRI J. B. PATNAIK): I beg to lay on the Table a copy each of the following Notifications (Hindi and English versions)

[Shri J. B. Patnaik]

under section 185 of the Navy Act, 1957:—

(1) The Navy Leave (Second Amendment) Regulations, 1976, published in Notification No. S.R.O. 108 in Gazette of India dated the 1st May, 1976.

(2) The Navy (Pension) Second Amendment Regulations, 1976, published in Notification No. S.R.O. 108 in Gazette of India dated the 8th May, 1976.

(3) The Navy (Pension) Third Amendment Regulations, 1976, published in Notification No. S.R.O. 109 in Gazette of India dated the 8th May, 1976.

(4) The Navy (Pension) Fourth Amendment Regulation, 1976, published in Notification No. S.R.O. 114 in Gazette of India dated the 8th May, 1976. [Placed in Library. See No. LT-10875/76].

ANNUAL REPORT OF D.V.C. FOR 1972-73  
WITH AUDIT REPORT AND STATEMENT FOR  
DELAY

ऊर्जा मन्त्रालय में उप मन्त्री (प्रो०  
सिद्धेश्वर प्रसाद) : अध्यक्ष महोदय, मैं  
आपको अनुमति से निम्नलिखित पत्र सभा  
पटल पर रखता हूँ :

(1) दामोदर घाटी निगम अधिनियम,  
1948 को धारा 45 की उप-धारा (5)  
के अंतर्गत दामोदर घाटी निगम, के वर्ष  
1972-73 के वार्षिक प्रतिवेदन (हिन्दी  
तथा अंग्रेजी संस्करण) की एक प्रति उसके  
लेखे पर लेखा परीक्षा प्रतिवेदन ।

(2) उपर्युक्त प्रतिवेदन को सभा  
पटल पर रखने में हुए विवर्ध के कारण  
बताने वाला एक विवरण (हिन्दी तथा  
अंग्रेजी संस्करण) ।

[Placed in Library. See No. LT-10876/  
76]. :

NOTIFICATIONS UNDER EXPORT (QUALITY  
CONTROL AND INSPECTION) ACT, 1963

THE DEPUTY MINISTER IN THE  
MINISTRY OF COMMERCE (SHRI

VISHWANATH PRATAP SINGH): I  
beg to lay on the Table a copy each  
of the following Notifications (Hindi  
and English versions) under sub-section  
(3) of section 17 of the Export (Quality  
Control and Inspection) Act, 1963:—

(i) The Export of Footwear (Ins-  
pection) Amendment Rules,  
1976, published in Notification  
No. S.O. 1536 in Gazette of  
India dated the 1st May, 1976.

(ii) The Export of De-oiled Rice  
Bran (Inspection) Second Am-  
endment Rules, 1976, publish-  
ed in Notification No. S.O.  
1537, in Gazette of India dated  
the 1st May, 1976.

(iii) The Export of Gum Karaya  
(Inspection) Amendment Rules  
1976, published in Notification  
No. S.O. 1538 in Gazette of  
India dated the 1st May, 1976.  
[Placed in Library. See No.  
LT-10877/76].

11.03 hrs.

MASSAGES FROM RAJYA SABHA

SECRETARY-GENERAL: Sir, I  
have to report the following messages  
received from the Secretary-General of  
Rajya Sabha:—

(i) 'I am directed to inform the  
Lok Sabha that the Rajya  
Sabha, at its sitting held on  
Tuesday, the 18th May, 1976,  
adopted the following motion  
in regard to the presentation  
of the Report of the Joint  
Committee of the Houses on  
the Central and Other Socie-  
ties (Regulation) Bill, 1974:—

"That the time appointed for the  
presentation of the Report of  
the Joint Committee of the  
Houses on the Central and  
Other Societies (Regulation)  
Bill, 1974, be further exten-  
ded upto the last day of the  
Ninety-seventh Session of  
the Rajya Sabha."

(ii) "In accordance with the provi-  
sions of sub-rule (6) of rule  
186 of the Rules of Procedure

and Conduct of Business in the Rajya Sabha, I am directed to return herewith the Appropriation (No. 4) Bill, 1976, which was passed by the Lok Sabha at its sitting held on the 11th May, 1976, and transmitted to the Rajya Sabha for its recommendations and to state that this House has no recommendations to make to the Lok Sabha in regard to the said Bill."

## COMMITTEE ON GOVERNMENT ASSURANCES

### SIXTEENTH REPORT

SHRI B. K. DASCHOWDHURY (Cooch-Bihar): I beg to present the Sixteenth Report of the Committee on Government Assurances.

11.04 hrs

## WORKMEN'S COMPENSATION (AMENDMENT) BILL—Contd.

MR. SPEAKER: The House will now take up further consideration of the following motion moved by Shri Raghunatha Reddy on the 18th May, 1976, namely:—

"That the Bill further to amend the Workmen's Compensation Act, 1923, as passed by Rajya Sabha, be taken into consideration."

The time allotted for this Bill is two hours; time already taken is thirty minutes, the balance is one hour and thirty minutes.

श्री राम सिंह भाई (इंदौर) : श्रीमान्, जो संशोधन सदन में लाया गया है उसका मैं हृदय से समर्थन करता हूँ। माननीय

मंत्री जी ने यह ठीक ही कहा था कि यह संशोधन निर्विवाद है और इस पर बोलने की कोई आवश्यकता नहीं है। दरअसल चीज बहुत अच्छी है, इसमें आलोचना करने की कोई गंजायश नहीं है—इस बात को मैं हृदय से मानता हूँ। फिर भी कुछ बातें इसके बारे में कही गई हैं जिनपर मंत्री जी को थोड़ा विचार करना चाहिए। इस मामले में मेरा जो विरोध है वह केवल एक ही है। जब से वेतन बढ़ने लगीं और वेतन के साथ साथ प्राइसेज बढ़ने लगे और उस समय 5 सौ रुपए से ज्यादा भी श्रमिकों के वेतन हुए तो उसी समय कंसल्टेटिव कमेटी में हमने माननीय मंत्री जी से निवेदन किया था कि ई एस आई और कम्पनसेशन एक्ट में संशोधन करने की बहुत आवश्यकता है। जब 5 सौ रुपये से ज्यादा रकम मजदूरों को मिलती है और एकसीडेंट होते हैं, उनकी जान भी जाती है तो उनको मुआविजा नहीं मिलता है। यह सवाल जनवरी, 1974 में उठा था। उसका कारण यह था कि अहमदाबाद में ऐसा एग्रीमेंट हुआ जिसके अन्तर्गत टेक्सटाइल इंडस्ट्री में एवरेज पर वर्कर 50 रुपए बढ़ गए। इसी तरह से वम्बई में भी ऐसा एग्रीमेंट हुआ जिसके अन्तर्गत एवरेज पर वर्कर 50 रुपए बढ़ गए। यह मैं डीयर्नेस एलाउन्स की बात नहीं कर रहा हूँ। उनके बेसिक वेतन में ही इतनी बढ़ोतरी हुई। इसी तरह से साउथ इंडिया में सारा डीयर्नेस एलाउन्स का रेट चेंज किया गया। इस तरह वहां भी 5 सौ से ज्यादा मिलने पर जो लोग दुरवटना के कारण मरे उनको मुआविजा नहीं मिला मैंने इस सवाल को बार बार उठाया।

उसके बाद अब यह संशोधन यहां पर आया है। माननीय मंत्री जी ने अपने एस्टेटमेंट में कहा है कि इसका अमल अक्टूबर, 1975 से किया जायेगा। मैं नम्रतापूर्वक निवेदन करना चाहता हूँ कि अक्टूबर, 1975 से ही

[श्री रामसिंह भाई]

इस पर अमल करने में क्या लाजिक है। अक्टूबर, 1974 में श्रमिकों का ज्यादा से ज्यादा औसत वेतन था जबकि कंज्यूमर कास्ट आफ लिविंग इंडेक्स 335 तक पहुँच गया था जोकि अक्टूबर, 1975 में घटकर 316 ही रह गया। तो मेरा निवेदन है कि जब 335 कास्ट आफ लिविंग इंडेक्स हुआ उसके पहले जिन श्रमिकों को 5 सौ रुपए से कम वेतन मिलता था और वे वर्कर्स मेन कम्पेन्सेशन ऐक्ट में कवर होते थे लेकिन दूसरे महीने ही कास्ट आफ लिविंग इंडेक्स बढ़ जाने के बाद 501 रुपया या अधिक हो जाने के बाद उसकी मौत हो गई तो उसको कम्पेन्सेशन नहीं मिलेगा। यह गन्ती किसकी है? वह आदमी वही काम कर रहा है, उसी पोस्ट पर है, उसी स्केल में हैं, किसी तरह का कोई फर्क नहीं आया है, आज उसकी मौत होती है काम करते हुए तो उसे मुआविजा मिलता है लेकिन कास्ट आफ लिविंग इंडेक्स में कुछ प्वाइन्ट बढ़ जाने की वजह से कल उसका वेतन बढ़ गया और उसी काम को करते हुए उसकी मौत होती है तो उसको मुआविजा नहीं मिलता है। मेरा निवेदन यह है कि जब यह मामला आपके सामने था तो आपको बहुत पहले से ही इसमें संशोधन करना चाहिए था। अगर आपने नहीं किया तो अब इसको उसी पिछले समय से लागू करना चाहिए जब कास्ट आफ लिविंग इंडेक्स बढ़ने लगा था और जिन लोगों के ऊपर यह ऐक्ट लागू होता था अगर उनकी मौत हुई है तो उन्हें इसका मुआविजा मिलना चाहिए।

श्रीमन्, मेरे मन में प्राइम मिनिस्टर का बड़ा आदर है जिस टाइम पर मैं ने उन को बताया कि ई०एस०आई० में ऐसा हाल है और इस में संशोधन होना चाहिए, तो उन्होंने कहा कि मुझे अभी लिख कर दो और मैं ने उन के कार्यालय में ही बैठ कर लिख कर दिया और वह प्रधान मंत्रीजी द्वारा माननीय मंत्री जी के पास भी भेजा गया।

दूसरी बात मैं यह निवेदन करना चाहता हूँ कि लेबर मिनिस्ट्री पर इस समय बहुत बड़ी जवाबदेही है लेकिन इस सब को देखते हुए यह मिनिस्ट्री पहले से आधी भी नहीं रही। मैं समझता हूँ कि इस को डबल होना चाहिए था। पहले लेबर मिनिस्टर के साथ दो दो डिप्टी लेबर मिनिस्टर थे लेकिन आज इतना स्टेट्स गिर गया है कि एक स्टेट मिनिस्टर हैं। मैंने जो दो डिप्टी मिनिस्टर और एक लेबर मिनिस्टर की बात कही, मैं उस समय की बात कर रहा हूँ जब सैकण्ड फाइव इयर प्लान को अमल में लाया जाना था। अब तो इंडस्ट्रियल डेवलपमेंट पहले से काफी बढ़ गया है, इसलिए लेबर का कंविनट मिनिस्टर होना चाहिए और क्योंकि इस विभाग की जिम्मेदारी और जवाबदेही काफी बढ़ गई है, इसलिए साथ में दो डिप्टी मिनिस्टर भी होना चाहिए जो ई०एस०आई० और वर्कर्स मेन कम्पेन्सेशन को स्वतंत्र डील करे। आप यह देखें कि मेरे जैसे पुराने सफेद बाल वाले लोग तो श्रम मंत्रालय से चले गये हैं और जब जिन की रेखें नहीं आई हैं वे लोग आ गये हैं और उन को समझने में अभी बहुत समय लगेगा। कल मेरे एक मित्र ने आलोचना की थी लेकिन उन्हें पता नहीं क्या संशोधन किया है, मैं यह समझता हूँ कि जो संशोधन किया गया है वह ठीक ही किया गया है और शेड्यूल में भी बड़े अच्छे परिवर्तन किये गये हैं। इस में कोई शक नहीं है। आप ने कम्पेन्सेशन की रकम जो पहले मिलती थी, उस का तीन गुना कर दिया है और इस के लिए मैं मंत्री जी को मुबारकवाद देना चाहता हूँ। यह बहुत अच्छा किया। आप ने वेतन की रकम 500 से बढ़ा कर 1000 कर रहे हैं और जिस को पहले 14,000 रुपये कम्पेन्सेशन मिलता था उस को 42,000 रुपये कर रहे हैं, इस के बारे में मुझे कुछ नहीं कहना है। मेरा जो एक खास मुद्दा है वह यह है कि अब कास्ट आफ लिविंग इंडेक्स गिर रहा है और

जब आप वेतन की सीमा बढ़ा रहे हैं, किन्तु जब कास्ट आफ लिविंग बढ़ने से वेतन 500 से अधिक बढ़ गया था और जो आदमी इसके पहले मर गये हैं, उन के कम्पेंसेशन का क्या होगा।

अगली बात यह है कि कम्पेंसेशन देने में जो डिले होती है, उस के बारे में आप को विचार करना चाहिए। ऐसे मामलों में डिले नहीं होनी चाहिए। एक बात यह भी कहना चाहता हूँ कि आज बर्कमैन कम्पेंसेशन का ट्रेंड बदल गया है और कल जो बात सरदार स्वर्ण सिंह सोखी ने कही थी, वह उन्हें कहनी नहीं आई। सवाल यह है न कि जब विहिसल बजती है तो फौरन श्रमिक कारखाने में काम करने के लिए घर से निकलता है और इस इरादे से वह जाता है कि वह वहां काम करेगा। रास्ते में उस की किसी एक्सीडेंट की वजह से मौत हो जाती है तो उस के घरवालों को कम्पेंसेशन नहीं मिलता। आप कारखाने में जाने और काम करने के बाद घर पहुंचने का टाइम मुक़र्रर कर दें और उस समय को काम की हालात माना जाए। इस क लिए आप कौं कम्पेंसेशन एक्ट में संशोधन करना पड़ेगा कि अगर श्रमिक को काम पर जाते या लौटते समय किसी एक्सीडेंट से मृत्यु हो जाती है, तो उस को काम पर माना जाए और उसको कम्पेंसेशन दिया जाए। इस वक़्त तो प्रोवीडेंट फंड एक्ट के अन्तर्गत फ़ैमिली पेंशन में भी परिवर्तन की आवश्यकता है वह परिवार को उतनी हज़ार में मिलेगी जबकि श्रमिक काम करता हुआ मर जाए। अगर वह रात के 12 बजे तक काम करने वाले दिन मरता है तो फ़ायदा मिलेगा, यदि उस रोज 12 बजे कर 1 मिनट पर वह मर जाता है, तो फ़ैमिली पेंशन नहीं मिलेगी। उसे 12 बजे से पहले ही मरना चाहिए था और अगर नहीं मरता है तो अत्महत्या कर लेनी चाहिए। इसलिए ऐसे कानून में संशोधन करने की ज़रूरत है।

सरदार स्वर्ण सिंह सोखी जी ने एक बात और कही थी कि अगर एक पति है

और चार पत्नियां हैं, तो कम्पेंसेशन किस को मिलना चाहिए। (व्यवधान) इसी प्रकार से एक विवाद यह भी पैदा हुआ एक महिला काम करती थी और उस के दुर्घटना से मरने के बाद दो पति दावेदार पैदा हुए। इन्क्वायरी करने पर यह पाया गया कि जिस से उस महिला की पहले शादी हुई थी, वह तो पहले ही मर चुका था, लेकिन बाद में जिन दो ने कम्पेंसेशन पाने के लिए दावा दायर किया, उन दोनों को कम्पेंसेशन नहीं मिला। क्योंकि दोनों ही असली वारिस नहीं थे। ऐसे विषय में कुछ होना चाहिए वह इस एक्ट के अन्तर्गत नहीं किन्तु कौन वारिस हो सकता और कौन नहीं होगा, यह तो दूसरे एक्ट में ठहराया गया है।

अन्त में मैं यही निवेदन करना चाहता हूँ कि मंत्री जो बहुत सुन्दर कानून लाए हैं और उस में सारी अच्छी बातें हैं और मैं उस का समर्थन करता हूँ लेकिन मैं यह निवेदन करना चाहता हूँ कि आपने जो इस को अक्टूबर 1975 से लागू करने का वादा किया है, उस को कम से कम अक्टूबर 1974 से लागू करना चाहिए। जब सब से अधिक उम्मीद अंक पहुंच गया था।

इतना ही कह कर मैं समाप्त करता हूँ।

SHRI B. V. NAIK (Kanara): Mr. Speaker, I welcome this Bill. When we go through the amount of compensation for permanent disablement as well as for death, we think it is a part and parcel of the labour welfare measure and a part and parcel of our welfare measures of which we are talking.

In view of the rise in price and the cost of living index, I think raising of the limit, for eligibility from Rs. 500 to Rs. 1,000 is quite welcome. Any person by whatever name he may be called in this country—a wage earner, a labourer, a salary earner, it would be rather hard to consider a person with an annual income of Rs. 12,000 per annum other than poor. In a country like ours, the per capita income of Rs. 40/- per month, i.e., Rs. 200 per family,

[Shri B. V. Naik]

is considered as a poverty line—giving the whole family an annual income of Rs 2,400, below which the amount falls into the poverty line. I think, a person drawing Rs. 12,000 in the course of the year is a fairly affluent person. Be it as it may, since this category of middle level people in factories and industrial establishment is of very valuable people—in supervision, direction or in technical know-how, we do not grudge. The only thing which we seem to grudge, with very conscientious Labour Minister, is that he has been keeping a blind eye on that section of our labour population. At least I have been raising this issue time and again.

In response to a starred question which figured here very recently, even the census of the categories of labourers-wage earners like domestic servants, shop assistants, those working in an unorganised industry as a whole, was not made available to us. I hope, to that extent, it will be possible for me to make some impact on our Labour Minister that immediately the census should be taken of those working in an unorganised industry. Some modicum of welfare labour legislation is a must. Leave aside the question of compensation, in case of death, accident or permanent disability, as we are having minimum basic charges in respect of farm labourers, we should have likewise minimum salary for other categories of labourers. We should find out ways and means of implementing the welfare measures for the weakest and the most exploited section of our labour population. This is a must.

The same preparatory work regarding data collection must go on. The other thing that puzzles me is this. Of course, one may say, this does not fall within the ambit of the Labour Ministry, as such. We do not seem to have a sort of a national policy in the case of accidents or death or disability. I see this happening in the ore carrying track from where I come, between Hubli and Karwar. There are accidents taking place; leaving aside

damage to national property, somebody or other dies, somebody or other gets maimed and so on. I do not know, who takes care of these people. We have got accident relief in case of rail travel. It is a public sector undertaking which has provided this. We have got relief in case of air travel. But the most accident prone areas are the roads. It is more hazardous to travel by road than by the air. This is because of overcrowding. The hon. Ministers in the treasury benches may not have the opportunity but we MPS have this opportunity to travel by bus of course, by compulsion. Upto 50 per cent of overcrowding takes place there. During the summer season you can well imagine the difficulty involved. There are students and others and if any crash takes place you can well imagine the hazards involved. One gets scared, but this is inevitable. Why cannot you have some standard relief here also and this can be sponsored by the Ministry of Labour or some other Ministry to help the kids, children, women, school-going boys and girls, etc. by having a comprehensive legislation that in case they are maimed or some other injuries are there, they will get relief at some standard scales?

रेल एक्सीडेंट के बारे में आप पचास हजार रुपए देते हैं। यहां कम से कम पच्चीस हजार रुपए तो याव दीजिए।

In respect of bus travellers who get killed or maimed this can be done. This is one of the suggestions which I wish to make.

I have looked into the statistical figures on fatal and non-fatal accidents. For this booklet we congratulate the Minister. In 1972 the number of fatal accidents in factories was 655 and in 1973, 647. In 1972 number of non fatal accidents was 2,85,257 and it is more or less the same in the year 1973, that is, 2,80,602. If death in factories during one year is something attributable to his duty, I could say the death by other road accidents etc., would be very much more. It would be about ten times more than

that. Of course this year because of Chasnala tragedy the mine accidents might have been more. In this connection I wish to point out that we do not have the figure regarding permanent disability.

I hope this piece of legislation will be able to do good. But, may I point out one more factor? Will the Minister kindly enlighten us whether in respect of sea-men, in respect of Merchant Navy, there has been a provision for losing of a finger, for losing of a particular limb, according to the contract between the shipowners and the sea-men that, on a fabulous scale, the compensation is provided for? I am not grudging that something is being done because these are workers; these are sea-men, but, what I am saying is why, between workers and non-workers or between different categories of workers, should our country have such an amount of disparity in regard to compensation due to death or fatality or because of disability? Why could we not, in a progressive socialisation of our economy, bring down the disparities? Remove the vested interests or pressure groups who are more effective. (*Interruptions*) I was thinking whether Dr. Sen was ironically laughing. Thank God.

So, why can't we bring down the disparities in regard to benefits or compensations? Here the hon. Minister simply comes forward with a comprehensive policy resolution or decision, not in regard to a blanket order, and you may just say how you are going to reduce the disparities even in the welfare of the labour section, leave aside the disparity that exists, on a vast scale, in our society and how you, as the Ministry, will strive to bring down the disparity that exists within labour? For example, one peon working in a small government office or municipality gets hardly Rs. 150/- whereas, another peon, working on some of the prized posts doing the same peon's job will be getting about five times more than this or some such thing.

On the contrary, the hon. Labour Minister may kindly bring forward a statement and say that, over the years, the disparities between the working forces keep on increasing or you may prove that the disparity continues *status quo* or it goes on reducing. You may prove that. Because of your superior access to facts and figures, you may kindly prove that between workers and non-workers, the disparity is not increasing but decreasing.

With these suggestions, complimenting the Minister. I sit down.

**श्री मूलचन्द डागा (पाली) :** अध्यक्ष महोदय, मैं इस बिल का स्वागत करता हूँ लेकिन कुछ बातें कहना चाहता हूँ। सबसे पहले तो मैं रिपोर्ट आफ दि नेशनल कमिशन आफ लेबर से यह आपके नोटिस में लाना चाहता हूँ—

“This Act makes no provision for medical care and treatment which is the greatest need of the worker when he meets with an accident. There is also no provision for rehabilitation to restore the loss in the earning capacity.”

मैं एक बात कहना चाहता हूँ कि अगर रेलवे के किसी एम्प्लॉई की डेथ हो जाती है तो उसके बच्चे को नौकरी मिल जाती है। अगर कोई आदमी फैक्टरी में काम करता हो और उसकी डेथ हो जाय तो उसका सक्सेसर जो लड़का है, जो पर मैं बैठा है, उसकी नौकरी की भी व्यवस्था इसमें होनी चाहिए।

**श्री विभूति मिश्र (मोतीहारी) :** पालियामेंट में काम करता हुआ अगर कोई मेम्बर आफ पालियामेंट मर जाय तो उसके लड़के को भी क्या मेम्बरी दे देंगे ?

**श्री मूलचन्द डागा :** मैं पालियामेंट के मेम्बर की बात नहीं करता लेकिन डिफेंस और रेलवे के अंदर यह कानून बना हुआ है कि उनके अंदर काम करने वाले का यदि स्वर्गवास हो जाय तो उसकी औलाद को काम मिल जायगा।



श्री हरी सिंह (खुर्जा) : मौत अगर घर में हो जाती है तब थोड़े कुछ मिलता है। जहां पर वह काम करता है, वहीं पर अगर मौत हो, तभी कुछ मिलता होगा।

श्री मूलचन्द डागा : जहां पर वह काम करता है, अगर उसकी मौत हो जाती है तो उसके लड़के को नौकरी देने की व्यवस्था है।

आपने कम्पेंसेशन एक्ट में कहा हुआ है :

"Workman means any person (other than a person whose employment is of a casual nature and who is employed otherwise than for the purposes of the employer's trade and business)."

एक आदमी एक कारखाने में दो महीने या तीन महीने काम करता है और उसके बाद एक्सीडेंट में उसकी डेथ हो जाती है तो आप कहते हैं कि वह कम्पेंसेशन पाने का हकदार नहीं है। यह परिभाषा गलत है। जब काम बराबर दोनों करते हैं और जो तीन महीने पहले लगा होता है उसकी मौत हो जाती है तो क्यों आप यह कहते हैं कि वह टैम्पोरेरी था इस वास्ते उसको कम्पेंसेशन नहीं मिलेगा। इस में संशोधन करने की जरूरत है।

मैंने एक सवाल हाउस में किया था। उस के जवाब में मुझे बताया गया था कि हवाई जहाज का एक्सीडेंट होने की सूरत में पैसेंजर को एक लाख रुपया मिलता है।

"In the event of death of a passenger or....Rs. 1,00,000 if the passenger is 12 or more years of age and Rs. 50,000 if the passenger is below 12."

यह क्या बात हुई ? हवाई जहाज के एक्सीडेंट में उसको एक लाख रुपया और जो फैक्ट्री में काम करता है, उसको इतना कम रुपया फिर चाहे वह पब्लिक सैक्टर की फैक्ट्री हो या प्राइवेट सैक्टर की। रेल एक्सीडेंट में जो मर जाता है उसको आप पचास हजार देते हैं। लेकिन यहां जो मरता

है उसको ज्यादा से ज्यादा तीस हजार ही दिया जाता है। यह सब अंतर क्यों आप करते हैं। सरकार की नीति एक होनी चाहिए। हवाई जहाज में सफर करने वाला चूंकि बड़ा आदमी होता है इस वास्ते क्या उसको ज्यादा मिलना चाहिये ? बस एक्सीडेंट में मरने वाले को कुछ भी नहीं मिलता है।

मैंने आपके शैड्यूल को पढ़ा है। एक हजार कमाने वाले को 42,000 आप देंगे और जो दो सौ या तीन सौ रुपये महोना कमाने वाला है, उसको आप कम देंगे। जो ज्यादा कमाता है उसको ज्यादा और जो कम कमाता है उसको कम, यह तुक मेरी समझ में नहीं आता है। मैं कहूंगा कि जो कम कमाता है उसको आपको अधिक देना चाहिये।

वर्कमैन कम्पेंसेशन एक्ट 1923 का है। इसको आप बदले। मंत्री महोदय जब से श्रम मंत्री बने हैं वह बराबर एमेंडमेंट्स लाते रहे हैं। मजदूरों का फायदा करते रहे हैं। लेकिन जो प्रोसीजर है वह बहुत लंबा है। कोई टाइम लिमिट नहीं है। पता ही नहीं लगता है कितने समय में कम्पेंशन मिलेगा सकसेशन सर्टिफिकेट अगर डिस्ट्रिक्ट कोर्ट में से लेना होता है तो उस में बहुत ज्यादा समय लग जाता है। वहां बड़ा हैरासमेंट होता है। उससे पहले ही फार्म भरवा लिया जाना चाहिये कि उसकी मौत के बाद फलां को कम्पेंसेशन दे दिया जाए।

मैं चाहता हूं कि कम्पेंसेशन की रकम को आप बढ़ाएं। दुर्घटना के बाद उसके लड़के को नौकरी देने की व्यवस्था करें।

एक बात और आपने कही है।

"A small employer in any case finds it difficult to pay compensation in the event of a heavy liability arising out of a fatal accident."

जो छोटी कैन्ट्री चलाता है और जिस में पचास हजार रुपया लगा हुआ है अगर वहाँ किसी मजदूर की दुर्घटना में मृत्यु हो जाती है तो आप उसको कहेंगे कि चालीस हजार रुपया इसको दो। अब छोटी इंडस्ट्री चलाने वाला कैसे दे सकता है। उसकी तो फैंक्ट्री ही नीलाम हो जाएगी। और भी जो वर्कर उस में काम करते हैं वे बेकार हो जाएंगे। इस बाबत इस वर्कमैन कम्पेंसेशन में एक बात यह भी होनी चाहिये कि अगर कोई छोटा उद्योग चलाता है और वहाँ मालिक की गलती न हो तो उस के लिए कुछ और व्यवस्था होगी इस एक्ट को भी आपको कंसिडर करना चाहिये।

**THE MINISTER OF LABOUR (SHRI RAGHUNATHA REDDY):** Sir, I am extremely thankful to all the hon. Members who have extended their wholehearted support to the provisions of this Bill. For the various points that have been raised by some hon. Members, I would respectfully submit to you that as far as the provisions of the Bill before the House are concerned, the discussion falls within a very narrow compass and we are dealing with certain aspects of the workmen's compensation Act. Yesterday, the Hon'ble Member, Shri Ismail, raised the question whether the seamen are covered under the Act. At that time itself I referred to the provisions of the original Act and Schedule-II to the Act covers the seamen and therefore I think Mr. Ismail should be satisfied about it.

The second question which has been raised by Mr. Daga, just now, is about the casual labour. Now the definition of 'workmen' means any person (other than a person whose employment is of a casual nature and who is

employed otherwise than for the purposes of the employer's trade or business)....So, it is not merely casual labour but it should also satisfy the condition that he is employed otherwise than the trade or the business of the employer. First, he must be a casual labourer and then he should also not have been employed in any business of the trader or the business of the employer. Then he falls outside the purview of the Act. The mere casual labour who is employed by the business man or the trade of the employer is not excluded from the purview of this Act. There is also a judgement of the Madras High Court in this connection and with regard to the various principles of compensation law regarding this, there is quite a formidable case law both of Indian Courts as well as English Courts. Mr. Daga, as a lawyer, must be able to recollect from learned judgements of the various English Courts regarding Workmen's Compensation Act. I do not want to go into the question of workmen compensation here.

Another question that has been raised here is about the date on which this Act will come into force, that is, 1st of October 1975. The question raised was that there could be some other day. If we do not give any retrospective effect to this legislation, it can only be prospective and you may kindly recall that after 1st October 1975, unfortunately there had been a number of accidents including the Chasnala accident. Therefore, we thought that we must be in a position to cover all those unfortunate families who have lost their bread-winners sometime in November or December 1975. Therefore, we have chosen 1st October 1975 to give the maximum relief to those persons whose families are suffering now. That is the reason why 1st October 1975 was chosen. There may be difference of opinion that some other date could have been chosen.

With regard to the points raised by Mr. Naik, though most of points raised by him do not fall within the purview of this Bill, I would respectfully

[Shri Raghunatha Reddy]

submit, as far as the compensation is concerned, it is with regard to a worker who is working in a factory and who has been earning livelihood, not only earning livelihood for the family but also who is making a contribution to the national economy and national wealth. That is why we said "having regard to the rise in wages and DA etc., from Rs. 500.00 to Rs. 1,000...." and I quite see the point made by Mr. Nalk that those who have got Rs. 1000 per month cannot be necessarily classified as poor people in this country. But whether they are classified as poor people or not, the fact remains that the people or the workmen whatever the designation they may hold, whatever the salary they may be getting, they are making contribution to the growth of the national economy and to the national wealth and to that extent, they must be compensated if any unfortunate accident takes place, death takes place, disability takes place. That is why it has been raised but at the lowest level the highest compensation has been fixed not in terms of quantum but in terms of multiples. When a railway passenger is involved in an accident, he is paid Rs. 50,000 in the case of death. An air passenger is paid Rs. 1 lakh in case of death. It was asked whether this was not a discrimination against the poor people working in factories? So far as I can see, the distinction between the two is this. When a passenger travels by air or rail, he pays for it and he goes by a commercial carrier. There is some kind of a contractual obligation that the commercial carrier would take him safely to the place of destination. So, if there is an accident, he must be paid compensation for not fulfilling that obligation. Here a person working in a factory is drawing his salary and during the course of employment and out of the employment if an accident takes place, he is entitled to compensation. There is no comparison between the principles of compensation contemplated under the Workmen's Compensation

Act on the one hand and a passenger who travels by rail or air, by a commercial carrier on the other.

These were the few points raised and I have dealt with them. I am extremely grateful to the hon. members who have given their whole-hearted support to the Bill.

श्री मोहनलाल इन्साहल (बीरकपुर) :

घाप ने यह नहीं बताया कि 1,600 रु० बोनस कमीशन ने जो किस्म किया था उस को क्यों रिजेक्ट किया है ?

SHRI RAGHUNATHA REDDY: Though the Bonus Act considers Rs. 1600, it will be treated as Rs. 750 for the purpose of computation of bonus. Therefore, we have even fixed it at a higher level here.

MR. SPEAKER: The question is:

"That the Bill further to amend the Workmen's Compensation Act, 1923, as passed by Rajya Sabha, be taken into consideration."

The motion was adopted.

MR. SPEAKER: Now we take up clause-by-clause consideration. There are no amendments. I shall put all the clauses together

The question is:

"That clauses 2 to 4, clause 1, the Enacting Formula and the Title stand part of the Bill."

The motion was adopted.

Clauses 2 to 4, clause 1, the Enacting Formula and the Title were added to the Bill.

SHRI RAGHUNATHA REDDY: I beg to move:

"That the Bill be passed."

MR. SPEAKER: The question is:

"That the Bill be passed."

The motion was adopted.

11.43 hrs.

**ADDITIONAL EMOLUMENTS  
(COMPULSORY DEPOSIT)  
AMENDMENT BILL**

**THE MINISTER OF FINANCE  
(SHRI C. SUBRAMANIAM):** Sir, I  
beg to move\*:

"That the Bill to amend the Additional Emoluments (Compulsory Deposit) Act, 1974, be taken into consideration."

The circumstances which necessitated the promulgation of the Additional Emoluments (Compulsory Deposit) Ordinance by the President on 6th July, 1974 and the subsequent enactment of the Additional Emoluments (Compulsory Deposit) Act, 1974 to replace the Ordinance are well known to this House. In my budget speech, I had also explained the reasons behind the Government's decision to continue impounding of half of dearness allowance increases for one year beyond July 1976 when the present provisions of the Act expire. When the package of anti-inflationary measures were resorted to in July 1974, my distinguished predecessor had also made it clear that the results would be there only after some time and through continuous efforts. The stepped up tempo of all-out drive against anti-social economic activity along with these measures and the subsequent sense of discipline, direction and dedication imparted to all these measures by the declaration of Emergency have brought in palpable results. Government has never held that wage increases to the working classes were a primary source of inflation. On the contrary, the objective is to protect the workers' wages not in terms of rupees but in terms of what the rupee would fetch. Today, the take-home pay packet of the employee after compulsory deposit of half of the additional dear-

ness allowance fetches appreciably more than it did in July 1974. Government no doubt stands committed to repay the amounts impounded together with interest in the manner provided in the Act. But the more important commitment is to protect the real incomes of all classes and this is a pre-requisite for further economic development under the New Programme. The additional wages deposits came to about Rs. 50 crores in all and the first instalment has already been repaid together with interest. So far, the deposits on account of additional dearness allowance amount to nearly Rs. 900 crores and the total amount of deposits for the period till the end of June, 1976 would be about Rs. 1000 crores. The repayment of these deposits with interest as provided in the Act should not in turn release the latent inflationary pressures. In the long-term, the problem of inflation can be contained only by increase in production and productivity. For this, we have not only to consolidate the achievements so far, but also endeavour to improve further, to the extent possible. The task ahead leaves no room for complacency, because it needs to be ensured that the step up in Plan outlay is matched by physical output and performance without inflationary pressures negating results. I would, therefore, appeal to the Hon'ble Members to consider the provisions of this Bill in this perspective.

Clause 2 of the Bill seeks to amend Section 6 of the Act to provide the period of compulsory deposit of additional dearness allowance as three years from the appointed day, (i.e. 6th July, 1974), instead of two years.

Clause 3 of the Bill by amending Section 9 of the Act provides for the repayment with interest of the addi-

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\*Moved with the recommendation of the President.

[Shri C. Subramaniam]

tional dearness allowances impounded during the extended period. While the extended period for compulsory deposit of half of additional dearness allowance will expire in July, 1977, the amounts impounded will remain in these accounts for a period of one year more before commencement of repayment in annual instalments. From July 1977, the third instalment of the additional wages deposit and the second instalment of the earlier additional dearness allowance deposit will have to be repaid; and the impounding will also cease. The inflationary impacts of all these steps need to be taken cognizance of, here and now. It has, therefore, been considered necessary to commence repayment by credit to the provident fund from July, 1978. But the employee would earn interest in the compulsory deposit account on the same basis as the earlier deposits. Repayment in five equal annual instalments together with the interest accrued to the provident fund account is another safeguard to restrain unduly large spurts in money supply in the later years. Credit to the provident fund will also be a saving, though compulsory, to the employee.

Further, the regulations applicable to the Provident Fund will also permit need-based withdrawals by the employee. A smaller proportion of the employees may not be contributing to the provident fund and for such employees, the repayment would be in cash. In the Contributory Provident Fund Schemes, the employers are already paying their statutory contributions and hence they are not required to pay any further contribution against these credits in the employee's account. It is also provided that when the employee ceases to be in employment, the amount in the compulsory deposit account will also be credited to his provident fund so as to enable him to get back both the amounts from one source, viz., his provident fund.

MR. SPEAKER: Motion moved:

"That the Bill to amend the Additional Emoluments, Compulsory Deposit) Act, 1974, be taken into consideration."

There is a motion for circulation by Mr. S. M. Banerjee.

SHRI S. M. BANERJEE (Kanpur): I beg to move:

"That the Bill be circulated for the purpose of eliciting opinion thereon by the 18th August, 1976."  
(1).

MR. SPEAKER: Mr. Ramavatar Shastri and Mr. N. Sreekantan Nair not present.

SHRI DINEN BHATTACHARYYA (Serampore): Sir, at the outset, I express my strong protest against the repetition of the same game which started in the month of August 1974. The original bill had provided that the Government was impounding only for two years, the additional emoluments, i.e. any increase in the salary, 50 per cent of D.A., the bonus amounts etc. etc. But up till now, the Finance Ministry has not given us the actual amount that they have collected, not only from the employees of the Central and State Governments and the public sector undertakings, but also from those of the private sector.

If you kindly look into the Statement of Objects and Reasons of this Bill, you would be astonished to find that it is stated that this measure has been taken to protect the real incomes of the industrial workers and the salaried employees, who were worst hit by the rise in prices. A very nice argument. By taking away the money, i.e. by cutting the pocket of the poor workers, you are safeguarding their real income. I do not know what is the philosophy or the arithmetic behind it. From my personal experience, I can say that it is nothing but a further attempt on the

part of the Government, a very heinous attempt, to freeze the wages of the workers and the employees. Not only that; it is, on the other hand, a cut or an erosion in the wages, as I remember Dr. Ranen Sen having used the word last time. Why is the D.A. given? This time, the increment in the wages has been left out. I will come to that aspect also. What is the meaning of the D.A. that is given? The D.A. is given to neutralize the rise in the cost of living index. This country, adopted and recognized the necessity in 1967 and it was widely publicized then—for introducing the need-based minimum wage for all categories of employees and workers. That has been thrown into the dust bin or the waste-paper basket. That will have its place in the National Archives, but not in reality. The workers will not get it, so long as this government continues, because it is coming forward with measures again and again which will very seriously hit the workers. They say that the inflation and the rise in prices have been checked; but is it not a fact that even now, after so many measures have been taken by the Government under the plea of Emergency, the real prices of essential commodities used by the working people and employees have not come down? The prices are picking up, according to the wholesale price index. The figure was given only a week back. It has been mentioned in the House that more than 2 per cent to 3 per cent increase has taken place. And this D.A. is meant to neutralize the rise in the cost of living. But so far as the point of neutralization is concerned, I know that 100 per cent neutralization is not there in respect of any employee, whether he works in the Central or State Government or in the public sector or a private factory. So, I cannot share the view of the Finance Minister that this is a measure to safeguard the interests of the workers, so far as their real wage is concerned.

This is nothing but depriving and

denying the workers of the little money that they would get by way of increase in D.A. I will say categorically that it is a wage cut. If the Finance Minister while sitting in his chamber decides or takes this measure as anti-inflationary, a measure to safeguard the interest of the workers, then he would have, first of all, ascertained the feelings of the Class III and Class IV employees of his own Finance Department of the Central Government. But he has not done it and he will not do it. We will soon discuss a measure which is cutting at the very basis of the collective bargaining.

Under the Industrial Disputes Act, an agreement was arrived at with the LIC employees. Now, the Government is snatching that. This is the way how the Government is functioning. Whatever may be the assurances, whatever may be the announcement, I will say that this measure is anti-working class, anti-employees and anti-people, which has been adopted by the Central Government. It is not in the interest of the workers but for their own interest of the Ruling Party.

The other day, I was astonished when the Finance Minister came forward with the Finance Bill where he gave concession after concession to the big business houses and the monopolists. Now in the case of the workers, he has given this concession that they will have to sacrifice their amount which they may get by way of increase in D.A. In the first instance, it was for two years. Now, it is extended for another one year. God knows whether in the next year—I do not know whether Mr. Subramaniam will be there or somebody else will be there—he will come with the same Bill again and say that they want to extend it for one more year. So, where is the end for it? On the floor of this House, the Finance Minister got the Bill passed two years back because of his overwhelming majority in the

[Shri Dinen Bhattacharyya]  
House, and now he has come forward for the extension of the time by one more year. So, I will request the Finance Minister at least not to play in this way with a serious matter like the earnings of the working people. Specially, the low-paid workers have not been exempted. They will have to deposit the money.  
12 hrs.

It is being said that inflation has been checked, many things have been done and the value of the rupee has increased. Is it to the credit of the Government of India or is it due to the fall in the value of sterling and dollar as a result of which we are enjoying the benefit? It is an impact of the fall in the value of sterling and dollar. It is not as a result of the measures taken by the Government here that the value of the rupee has gone up. That is not so. I can prove it. But I do not have much time to go into all these details. I would only say, it is not to their credit. There is a crisis in the capitalist world as a result of which there has been recession and the value of sterling and dollar has come down and you are reaping the benefit here, taking the credit that you have checked inflation and the rupee value has gone up. I emphatically say that the Minister should be truthful enough to give a true picture of it.

He should take back this Bill. The revenue of the Government will not fall. The Government's treasury will not be much benefited by this. What is the total number of employees whose money will be impounded? It will be at the most 30 lakh employees. What will you do with it. Still, there is black money circulating in spite of the voluntary disclosure scheme. There are tax arrears to the extent of Rs. 700 crores to Rs. 800 crores. The black money is still running the parallel economy here. In spite of all the steps that you have taken, these people are very much happy and they are carrying on the parallel economy with their black money.

I would like to say, instead of bringing this Bill, he should have given us a statement showing the actual amount of money he has collected after the passing of the Additional Emoluments (Compulsory Deposit) Bill, how much money he has collected from the Central Government employees, how much from the State Government employees, the public sector and the private sector. Is he keeping individual accounts? I do not know about the Central Government employees or the State Government employees. So far as I know, the original Act provides that each and every employee will contribute to this Fund and a competent authority will maintain a record of his account. I say, categorically, there will be hardly any account maintained by the competent authority. As far as my part of the country is concerned, we have asked the State Government as to where is the account.

The Provident Fund Commissioner is responsible for that. They say that they cannot keep individual accounts and that they deposit the amount in the name of a particular company and that the company is to maintain individual accounts. What a fantastic thing is going on. Without ascertaining or enquiring into the matter, the Government has come forward with this and, in spite of the provision in the original Act, it is not being followed. There are penalty clauses also. I want to know in how many cases there have been such defaults and in how many cases legal action has been taken that has been provided here. I think, not a single case has been filed in the court so far as the private sector is concerned; so far as the big industrial tycoons like Birlas, Tatas and Singhania are concerned, no steps have been taken. I know some workers have died in the meantime, some have left their services, some have retired, but they have not got their dues yet. It is provided here that, if a person dies



or retires or superannuates, he will get back his dues. There is a provision. But who cares to look into it? If a trade union wants to hold a meeting and focuses the grievances of agrieved workmen, it is not allowed. Provident fund arrears amounting to two crores of rupees are there, but no steps have been taken. What is the mechanism? Nothing is provided in this amending Bill also. I do not know why he is talking of these things. The Finance Minister, no doubt, is a good man; I have no quarrel with him personally, but he is taking a step which will go down in history as an anti-people measure. The original Bill was piloted by Mr. Chavan, but he is no longer there. He may be responsible for the original Act, but he will not be responsible for this new Bill. Therefore, what is your explanation to the people of this country, to the poor people belonging to the working class of this country? If a worker is laid off and he gets 50 per cent of the wages, still the increased D.A. will be impounded. Have you made any provision here in respect of lay-off which is a very regular phenomenon in our part of the country and also in the other parts of the country? Where is the provision in regard to that? Birlas will take away 50 per cent of the D.A. by taking advantage of this Bill. They will lay-off the workers for 15 days, and the poor workers will get wages for 15 days and they will have to contribute to the Compulsory Deposit Scheme. Have you any provision in that regard? Have you taken any information from the Labour Ministry? The Labour Minister has now become a theoretician; he comes here and gives us lecture like a school teacher on his philosophy of pseudo Marxism, socialism and so many other things. This gentleman is responsible for this. But he does not care to look into it. So, I say that this is a criminal offence on the part of the Government; they have been taking the money for the last two years; the poor workers are deprived of this,

and there is no guarantee that they will get it. I know of hundreds of cases of closed mills; we know of Khardah Mill; it was mentioned here yesterday. 50 workers died of starvation. Did they get their money back? So many factories are closed. Where is the provision? Who will collect the money for those workers? Even the Provident Fund dues are not realised, not to speak of this new Act and its provisions. So, what is the good of this. I want to make this appeal, through you, Sir, to the Minister and the Government. They are talking of so many things; they say that there will not be a single bonded labour in our country, and so on. It is a good thing; they have taken steps to distribute lands. In practice, however, it is not being done and I do not want to speak on that now. But what are you going to achieve by impounding fifty percent of the dearness allowance when actually you say that the situation has changed, normalcy has come and discipline has been restored? The Government are inviting foreign companies to come here, go round the country and invest their money here, and thereby further loot our country.

No figures have been given about the total expected deposits by impounding fifty percent of the additional dearness allowance. I wish, some figures should have been given. In the financial memorandum it is, however, mentioned that though the Government is not able to give any figures, for every Rs. 100 crores compulsory deposited over a period of one year, the interest liability will be Rs. 44 crores. For streamlining administrative machinery etc. for the purpose, Rs. 4 crores would be spent and Rs. 2.5 crores would be the recurring expenses. As I said, the Minister should have given some figures about the expected amount.

In conclusion, I only want to add that there was enough discussion in 1974, whether constitutionally or as per the Rules of Procedure and Conduct of Business of Lok Sabha, we



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can discuss this matter or not. I am not going in to that issue, because in the meantime there has come the imposition of emergency on account of internal disturbances and all the rights that we had under Article 19 and other Articles of the Constitution have been snatched away. I would only plead with the hon. Minister that he must be compassionate to the poor workers as also to Class IV employees of the Lok Sabha because their dearness allowance will also be impounded and they may approach you, Mr. Speaker, in this connection. The poor people will be put to great hardship by this.

The method of calculation of dearness allowance and the cost of living index is faulty. I can cite some facts which are internationally accepted. According to ILO, the average price of items which are sold both in ration and in open market should be taken into account for the purpose of CPI, that is cost of price index compilation. But, as far as we know, that is not done. We get things like rice and sugar both in ration and in the open market, but the open market price is not taken into account when the CPI figures are compiled.

Apart from that, there are other lacunae. Some time back when in West Bengal, the United Front Government was there, a Committee was set up; it was not composed of the United Front Government ministers or any supporters of the UF Government, but of other component people and they came to the conclusion that it was faulty. We have raised the matter here. So, taking this opportunity again when the Finance Minister is now determined to cut the DA, I would not say it is impounded.

I must mention that the method adopted in the compilation of the cost of price index is still faulty and some step should be taken to see that it is rectified centrally. Otherwise, all these employees and workers in the Centre,

in the States and in the Union Territories will suffer. So, this is a pertinent question.

I will draw his attention to the matter that I have already mentioned that a clear-cut procedure should be laid down as to how these accounts will be maintained and whether the Government will see that the employees concerned and the workers concerned may get a true copy of these accounts which are to be kept in possession of the Provident Fund Commissioner in the case of private sector also. So, I will say that that step must be taken. Would you not consider the cases of the laid-off workers? Would you not consider the cases of the workers of the closed factories who will otherwise suffer?

With this I may again request the Finance Minister that he should go back and bring at least some safeguards in his Bill so that a poor worker who may die, his family may get his dues from the employer without delay and for the closed factories also, the workers may get their impounded DA or the increased wages and for the laid-off workers no deduction should be made.

With this I again through you express our emphatic opposition to this measure and request the Minister to again reconsider about this Bill and come with a new Bill after including the points I have suggested.

SHRI S. M. BANERJEE: How will he consider his request, Sir, as the Minister is already gone?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI-MATI SUSHILA ROHATGI): The request will be conveyed.

SHRI PRIYA RANJAN DAS MUNDGI (Calcutta—South): In support of the Bill I rise to participate. The law was enacted in 1974 and this is just a continuation process just to extend the period for some time more to bring the situation in our national economy under complete control.

I have not had the opportunity to listen to the full speech of the hon. Member on the opposite and from the little I heard after coming into the House, I gathered—I do not like to criticise him always—that what he spoke was completely outside the scope of the Bill and he has gone to Maharashtra. The comments he has made about inflation, the increase in the rupee value in the international market—I should not discourage his speeches or suspect his motives—but these are all unpatriotic comments. If you take the example of other countries, specially the developing nations, this country, proportionate to the population, has achieved in the last 2 1/2 years an industrial growth and an agricultural growth which will be an envy to other countries and even the enemy of our country, if anybody exists in the world, and even the highest critic of our country would agree that the Government of India and the people of this country have been able to resist inflation, to a large extent, if not completely control the result of which we are finding in our practical normal life. I am not talking in the scope of the Bill something which should not be discussed, otherwise we could have cited examples of what are the achievements that we have got.

I submit in all humility that people—the vast millions—of this country did dream and did desire to get something more. Specially, the vulnerable section did so. But they have not yet got it. Government is trying for it, the political parties are trying for it both within and outside the ambit of 26-point programme

First of all, I would like to congratulate and pay my tributes to the employees of the Central Government, State Governments, working class and other sections of the society of this country who draw regular wages in private, or public sector units, Government or semi-Government organisations. We often accuse and abuse them whenever there is a crisis in the

country for their inefficiency, incompetence and other things which people do not like. But we must certainly agree that the Central Government employees of our country have shown their tremendous support, courage, determination, will and self-resistance in regard to the emergency and their support to the Government measures. I agree, in a country like ours, if anybody who is an employee of the Central Government or a State Government, semi-State Government organisation or a private sector unit, cannot draw his full salary with dearness allowance, or increased dearness allowance, he will feel some problem in his monthly or yearly budget to run his regular life. But, at the same time, the country has to take a decision, not at the cross road, but in the face of a great disaster,—in 1974 the country had to decide either to survive through the democratic system, in a manner which is required for all and to be shared by all, or . . . to be led towards chaos, the end of which neither we nor the employees/politicians would have known.

The Government of our country under the leadership of Shrimati Indra Gandhi took a courageous decision, the results of which are before us. It is wrong to say that the Central Government employees have been adversely affected or the salaried people have been adversely affected. I said earlier that I pay my tributes to them. I would like to pay my tributes to them once again for their courage, support and sympathy to the Government measures.

You will find two interesting things. Who are the Central Government employees? These are the employees who work in the Income Tax Department, Customs Department, Intelligence Department and the Secretariat Divisions. These are the employers who shared the sacrifice for the cause of the country, got their increased allowances improved. They are the employees who stood by the Government to implement

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other measures like COFEFOSA, MISA, to get the black marketeers detained, to find out smugglers. I should say it was a collective struggle of both the Government employees and the people of this country to fight inflation, to fight the smugglers and to fight the economic offenders in the manner they could within a short time.

I feel now in an emergency it would not be wise on our part to oppose the Government or to criticise a party or a group. This is not desired at all. That is why I say the comments offered by Shri Dinen Bhattacharyya I agree with most of his arguments, but so far as the influential parties concerned, are unpatriotic he could not produce any figures. I can tell you in our country, the inflation has been if not completely resisted, halted. After inflation is halted, the Government can review the whole process, review the whole thing, keeping in view the industries growth and the agricultural growth and the support and participation of the people in general and the employees in particular in the Government programme.

So far as agricultural production is concerned, as has been stated by the hon. Agriculture Minister, agricultural production has not only improved, but it has improved much more than what was expected. So far as industrial growth is concerned, both the Minister for Industry and the Minister for Finance have announced that concessions have been given not just to please monopoly houses and big houses but to create confidence among the big entrepreneurs. If they produce more, distribute equally, the country's position will improve. It has got two way effect on the part of the Government and on the part of the entrepreneurs. If entrepreneurs do not fulfil their task, we will have to face a serious situation. Likewise if Government cannot fulfil its task the position will become difficult. So, we

have no other alternative. It is not that we will get immediate results but we will have to continue the measures vigorously. Government will have to see that implementation of these measures is carried on with vigour and determination. What we have found many times in this country is, when we adopt certain very good measures, we never try to sustain the struggle, that is to say, we only adopt certain ad hoc measures. This will not do. We have to take permanent measures. As you know the basic reason for the emergency has been the action of the right reactionary elements in the country. They had a basic economic interest in this country. This aspect has been explained once again by the Finance Minister in this House. Their interest was that there should be an economic stagnation in the country. They wanted only mal-distribution. They only wanted high demands of working class for salaries and wages but more inefficiency and more incompetence all round. Therefore, our fight against right reaction is not only political but also economic. Just when emergency is on and when we have launched implementation of the hon. Prime Minister's 20-point programme it would not be wise on the part of the Government to withdraw all the measures and the policies which they have announced. These measures are in the interest of the people. But unfortunately our labour leaders used to incite the working class. I will cite one example. Last year there was bonus of more than 8.33 per cent. Monopoly houses showed balance sheets with more than 20% of profit. The employers were happy. The leaders of the working class used to go to the factory gates and tell to the working class, look, it is due to the struggle of the working class that they could get that. I do not deny that, but today, the working class has to make this sacrifice, the Government employees have to make this sacrifice. You cannot go and incite them and say one lakh of rupees of your DA is impounded. The measures already

undertaken should be implemented with vigour. A son now tells his father; father, I used to pay Rs. 10 for the copy-books for my school, but now I am paying only Rs. 2/50, thanks to the Prime Minister's 20-point programme. The housewife used to pay Rs. 48 for mustard oil of 4 k.g. and now she pays Rs. 24 only. Therefore, working class must realise that measures like these are in the interest of the working class of this country. These measures should be supplemented with the continuation of the 20-point economic programme. We should involve the people who believe in democracy, and we should continue this process.

In his speech Mr. Dinan Bhattacharyya said that rupee value has not really increased but it is due to inflationary increase, it is due to fall of pound in international market, with which I disagree.

Sir, I do not know the reasons because I am neither an economist nor a monetary expert. But, I can tell you that only about two years ago when some merchants from the Middle-East countries came here, they said that in the Middle-East, nobody talked about the Indian currency. But, they talked about pounds and dollars. Nowadays, there, the people have started talking of the Indian currency. To me it appears to be a pride of the nation, the pride of the people and the pride of the entire country which has risen to its height. Whatever achievements have been made by this country, we should not discourage them; we should encourage them and try to see that they are sustained, protected and well-preserved.

So far as employees are concerned, I submit to the Minister for consideration one important thing. As an economy measure, against the inflation, we had the Bill No. 1 earlier and earlier you introduced the COFEPOSA and MISA (amendment) Bill. We have adopted them. We also adopted the Voluntary Disclosure Scheme etc. etc. But, among the

Central Government employees, there is a problem. The problem is about the voluntary retirement policy of the Government or the super-annuation policy. I have, with me, many documents. I may tell you that at the Secretariat level, in many departments, the case of the deserving and honest employees who can dedicate more and contribute more for the country honestly are not being considered.

On the contrary, in most of the cases, they are facing only victimisation in the name of super-annuation or voluntary retirement scheme. On the other hand, the people who cannot be brought before vigilance because they are wellprotected and wellguarded at the higher levels escape this. This is creating a serious discontent among the employees in Central Government as well as in State Governments. I have seen it in many cases and so I say that they should be very carefully looked into. I feel that if the employees get the proper security about their service, they will respond more to the call of the Government and the appeal of the Government.

Sir, this Bill, I hope, will give a consolation to them that the measure is being brought forward in their own interest and also in the interest of the people at large. I appeal to you and, through you, to the Minister that the service records of the Central Government employees who are doing their duties with dedication keeping the interest of the country in view, should be looked into. In some cases, it may happen that an employee might have been shifted or transferred from one department to another due to cliques of some unions also. I am not excusing the unions because they are also doing it and they are somehow manipulating the things with the help of the high officials. It is a heart-burning question among the employees. They want some internal security and they want an independent machinery to be provided by Government to understand and assess their

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service records. Their worth should not be judged merely by the recommendations of the unions or the heads of departments alone. There are some conflicts; there are some contradictions and so the Government should appoint some independent machinery to understand and assess the performance and efficiency of these employees.

I would like to conclude by saying that we have halted the inflation and it will bear fruits very soon. Apart from this Bill, we should also try to implement the programme given to us. We would soon be seeing the results. That time is not far off.

SHRI INDRAJIT GUPTA (Alipore): Mr. Speaker, Sir, I regret that the Bill which we are discussing is yet another measure to which we cannot give our support.

There are times in the lives of the country or the nation, when, undoubtedly, sectional interests may have to be temporarily sacrificed in the overall interests of the country.

When the Compulsory Deposit Legislation was first introduced in 1974, the main economic argument was that since there was a very high rate of inflation going on, and there was too much of money supply in the country chasing too few goods, it was necessary to restrict the supply of money. If goods were in short supply and money in excess, then this would lead to further inflation. On the basis of this argument, the working-class was asked to agree to this compulsory deposit for one year of their additional basis wages and for two years of fifty per cent of any increase in their additional Dearness allowance. Now, I would like to begin by asking the Government to tell us whether, in their opinion, that situation prevails now also or not. Whether they are of the view—because the claim they have made and the claim I certainly support that to a great extent this

inflationary spiral has been halted. It certainly does not mean that all prices have come down. It certainly does not mean the retail prices for the consumers have come down but the galloping rate of inflation which we got accustomed to has been halted and certainly the Government can claim credit for that. But the economic basis for this measure, namely, that there is too much money and too little goods and, therefore, it is necessary to restrict money supply and, therefore, the workers must agree to the freezing or impounding of a part of their salaries and the dearness allowance, is it Government's contention that this situation still prevails now? In the statement of objects and reasons of this Bill it is stated and I quote:

"The objective of arresting the price spiral has been substantially achieved."

Further I want to quote from the Financial Memorandum—this, of course, is with reference to the estimate of the amount which would be impounded in the coming year once the Bill is passed—that is:

"The total deposits from impounding one-half of the additional dearness allowance during the period specified above cannot be estimated at this stage because dearness allowance is linked generally to the cost of living index and variations in the cost of living indices in future periods cannot be assessed now, more so, because of the declining price trend now evident."

So, they are speaking of declining price trend? They are speaking of the fact that the objective of arresting the price spiral has been substantially achieved.

Now, for two years the working class made this sacrifice that it was called upon to make. The repayment of those impounded sums which

were impounded upto July, 1976 is due to begin and that also has been phased out over five yearly instalments. The money will be returned in five yearly instalments. So, there is no question of a big volume of money being suddenly injected back into the economy. It will be phased out over five years. Even that was some small relief to the affected people who were looking forward to the end of this impounding business and the fact that they would get back the first instalment which had been taken away.

Now, this Bill has been suddenly brought forward in the first place prolonging this compulsory deposit scheme for one year more, but as Mr. Bhattacharya has pointed out there is nothing here which precludes the Government from repeating its performance next year. There is nothing in the Law which says this extension of one year is final. So, this can go on. Moreover, whereas the amounts impounded in the first two years are to be repaid in cash instalments here it is provided that the impounded amounts after July 1976 which will be repaid from 1978 will not be repaid in cash but will be credited to the workers provident fund account.

So, looking at the provisions of the Bill one would imagine that tremendous inflation is going on still; there is lot of money supply floating about in the country and there are not enough goods to be bought and, as such, this measure has to be prolonged. So the repayment two years hence would not be in cash at all but would be credited to the provident fund account. The extension is one year. The repayment will begin in 1978. Whatever will be impounded from July 1976 to July 1977 will start being repaid from 1978, repaid in the sense of being credited in the provident fund account. Now, as far as restricting the money supply in order to counteract the inflation is concerned, I have said this on many previous occasions here is it to be a one-sided affair? The whole outlook of this

Bill lacks any kind of moral basis because it is hopelessly discriminatory. It is so discriminatory that it is imposing burden only on the working class as if they are the only people in this country who are expected to sacrifice. In the beginning when the compulsory deposit scheme was introduced the Government made a pretence of saying that parallel with that we are imposing restriction on dividends. A Dividend Restriction Scheme was Also introduced. The workers will have to given up a part of their dearness allowance and their additional basic wages, but the companies or the corporate sector is also being told that they will not be allowed to distribute dividends as they want. There will be a ceiling and restriction on that. What happened to that? May I know what has happened to that? That has been withdrawn long ago. Last year that was withdrawn so that there is no restriction and the companies are free to distribute as much money as they like. Apparently, that will not have any effect, according to the Government, on inflationary tendencies. In the meantime, due to the change in the bonus law, the employers' liability to pay bonus has gone down drastically and now that has become a permanent statute, that is to say, the amount of money which the employers will save on account of not having to pay bonus to the workers that money will remain with the companies. There is no statutory or legal provision whatsoever to see that the amounts which are saved by the companies by way of bonus and which amounts will now remain with them—that is to say, the disposable surplus will remain with them—that money will really be used for the definite purpose of production or expansion of production or like that. It is only a pious hope expressed. Now all that money is available to them, we hope that they will use it for production purposes.

But what is the guarantee of it that this money will not be used only for

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ostentatious spending and for spending on luxury goods and so on? There is no guarantee whatsoever.

Then, the corporate taxes have been reduced, income-tax on the higher income brackets has been reduced this year, the wealth tax has been drastically reduced. Are these all measures for preventing or restricting money from flowing into the economy so that the price level can be kept under check? Is it that only the workers are supposed to do it? Only workers' part of the money is to be tied up and frozen and impounded. As far as the corporate sector and big business is concerned and rich people are concerned, payers of higher brackets of income-tax, of wealth tax, of corporate tax are concerned, in their case everything has been relaxed because the moment this inflationary spiral began to be checked, the price index began to go down. A big *halla ballu* was started in this country. Now, the main battle-cry in the industry, in the business, is recession, recession and recession; prices are crashing, therefore production cannot go on, production has to be restricted and therefore pressures are being put on the Government that unlimited credit facilities must be given, other concessions must be given, otherwise production cannot pick up. Due to that pressure, I regret to say, as reflected so clearly in the budget proposal this year, the Government has surrendered all along the line and now the Minister is reduced only to saying that the ball is in the court of the corporate sector. The country will watch and see whether they play the game or don't play the game. That is all. A great pious hope, unfounded optimism is placed on these people who never have the interest of their country to their heart. They are only interested in their profits, they are not amenable to any kind of financial or industrial discipline, as we have seen. But in their case,

all these facilities have been given so that large amounts of money of disposable income are left with them in the hope that they will use that for raising production. Without the workers, there can be no production. If the government considers Mr. Birla, Mr. Bangur, Mr. Goenka, Mr. Bajoria, Mr. Kanoria etc. are indispensable for production in this country, I want to tell them that the workers are no less indispensable. They should remember that without the worker, no Birla or Bajoria or his grandfather can produce even a quarter kilo of anything in this country. How are you treating the two partners in production? If it is a question of sacrifice, both should sacrifice. But what is this new policy which is being adopted that the imposition of this burden must go on only on the workers, and the big corporate sector and big business and monopoly sector must be given more and more freedom and all controls and restrictions on them must be removed? That is why we are basically opposed to the whole philosophy behind this Bill.

Apart from other things, from this compulsory deposit fund, the government itself is borrowing several hundred crores—I have forgotten the exact amount it is given in the budget proposals—to meet the deficit in the government's own budget! We are in a very peculiar position. Government is not telling us, I suppose it is not in a position even to tell us, how much money is there in this compulsory deposit fund at the end of this two year period, which is to be repaid. No official authentic figure is available to us up to this date as to what is the accumulated amount. I have a great suspicion from our experience down below in the industrial field. I do not know in what mess these accounts are. When the repayment starts, we will see. No worker has been given any kind of record of the amounts which have been deducted from the additional D.A. let alone giving him a pass book. In the beginning, the rules specified that every depositor would be given



a pass book or card on which every time a deduction was made from the additional D.A. it would be entered there and he could keep it like a pass book. But nothing has been done. There is going to be a lot of trouble in many places when the question of calculation arises. The same provident fund machinery and the same provident fund commissioners have been entrusted with this job who have done such a wonderful job of the provident fund itself. We know very well how many hundreds of crores of rupees of the workers' provident fund have remained unpaid. But nobody has been punished for it up to date. The companies of many of the well-known and illustrious names in the corporate world are in default in this regard and not one of them has been punished. Hundreds of crores of rupees of the workers provident fund money are unaccounted for and have never been deposited. These are the people who are supposed to maintain the accounts of the compulsory deposit fund also. The worker has no record with him. He must be keeping his own record for his own personal use since it is his money which is being impounded, but his record will not be accepted by any official agency. I demand from this government that while replying to this debate they should tell us what is the amount of money involved, whether it is accurate or not and how they have compiled it.

Again I ask the government to tell us what is their view now about price trends. By 'now' I mean the two months which have elapsed between the presentation of the budget proposals and the passing of the Finance Bill two days ago.

MR. SPEAKER: This morning it has come out in the papers.

SHRI INDRAJIT GUPTA: Now the heading is "Prices going up".

DR. RANEN SEN (Barasat): But the consumer price index is declining!

SHRI INDRAJIT GUPTA: For the last six weeks consequently, prices continue to rise. Between March 20 and May 1, the wholesale price index increased by 3.4 per cent, from 282.4 to 292.1. The commodities which were experiencing sharp increases in prices in this period include edible oils, sugar and allied products, and a variety of industrial raw materials and intermediate products. However, the index as on May 1, was still lower by 6.6 per cent than that of a year ago. Then, a table is given. Between March 20 and May 1, food articles have gone up from 303.9 to 318.6, cereals have gone up from 288 to 290.9.

Will they kindly explain it? We are in the middle of a bumper crop of foodgrains. A bigger buffer stock of foodgrains has been built up. In the middle of all these things, why the prices are rising? Some papers are describing it as un-seasonal rise. But, nobody is giving us any explanation. We had a bumper crop of oil seeds. But the index of oilseeds has gone up from 234.2 to 255. Why? You cannot have it both ways. Your assessment is that you have arrested prices for which you are taking credit, that is good. Either you stand solidly on it and try to defend it, in which case you cannot really justify why the workers should deposit half of their dearness allowance for another year, or you must explain why this trend of prices going up is taking place. The most plausible explanation which all the newspapers and journals are forced to give is that Government's control over the market, marketing mechanism and market economy is so weak still, so half-hearted and so incomplete that once again, those forces which control the movement of market prices and commodities have begun to assert themselves because there is still plenty of black money in the country. There is no doubt about it. The papers are reporting that many smuggled goods which had temporarily disappeared, are beginning to appear again in Calcutta and Bombay and are selling in the open market. In



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Gujarat, Rs. 70 lakh worth of hoarded vanaspathi was seized in one particular raid and was brought out. Speculations and smuggling activities are again on the increase. It is a fact. Therefore, Sir, the only people who have the worst of both the ends are the poor workers. If the prices really go up and then you say that half of the dearness allowance must be impounded, it means that their real wages are being cut because the dearness allowance is given on the basis of calculation of rise in prices. But in a period of rise in prices, you say that half of the dearness allowance must be impounded to that extent their real wages are eroded.

According to the figures of the working class cost of living index, when the prices rise, they show a much smaller rise than the actual rise; and when the prices fall, they show a bigger fall than the actual fall. This is a fact. When the prices decline, you say that the workers should appreciate it and be happy. But they do not appreciate it because their dearness allowance is cut. In case of rise in prices you cut the DA by impounding it, in the case of the fall in prices, their DA is cut on the basis of a calculation linked with cost of living index. In both the cases, the poor fellow gets the thin end of the wedge. Therefore, I do not understand whether there is any assessment of what has been the effect on the purchasing power of the people as a result of all this—as also on the commodity market—during the last two years. You should tell us something. Many employers and businessmen are shouting about the fall in the purchasing capacity; but it is a fact. At least we have seen that during normal times there is a spurt in purchases from the market, i.e. in our country, normally at the time of certain festivals. Whether it is Diwali or Id or Durga Puja, it was then that previously they used to get some bonus money; and in the industrial areas there used to be a considerable off-

take of things like clothes, shoes and other consumer goods which they would buy at that time for the whole year, to meet their family requirements.

Now, the bonus slash, as it is, and these compulsory deposits have affected such purchases. Is it or is it not a fact that in many places these goods are lying unsold? Stocks have accumulated; and then, these employers, on the plea of accumulated and unsold stocks again come down on the workers; by laying them off and saying that production should be restricted and that there was no way out. Textile employers are saying that they have got huge stocks of unsold textiles. So do the leather and footwear manufacturers; and so do the others. Thus, you first of all cut the worker's income. Therefore, he is forced to buy less than what he needs, for himself and his family. Then the unsold stock accumulates. On the basis of that, the employer says that he will have to put a restriction on production. Therefore workers have either to be retrenched or to be laid off. What is the logic?

In yesterday's Calcutta issue of Hindustan Standard, there is a report. A few examples have been given about the situation now prevailing in West Bengal. This news has come out after censoring. It says this first about Texmaco, which is a very big Birla company:

"Here, about 1600 employees have been affected by retrenchment or premature retirement or offered holiday without pay."

Then about Jay Engineering, belonging to Bharat Ram Charat Ram:

"Here, nearly 1,000 people have been affected by pay cuts or retrenchment in recent weeks,....."

Then about Jayahree Chemicals:

"... about 250 workers have been retrenched."

about Hind Motors:

"Altogether 4,000 workers have been put on rotational lay-off, forced retirements and made to accept special voucher payments in contravention of all official rules.

Now about Inchek Tyres:

"About 2,000 laid off, . . . "

National Rubber: 3,000 laid off.

Now about NISCO and others:

NISCO: Between 3,000 and 4,000 have been laid off.

India Foils, Kamarhati: Between 100 and 600 workers affected by pay cuts, or retrenchment.

Kakinara Jute Mill: Closed down for a few weeks. Altogether 4,000 laid off.

This Kakinara jute mill is the one mill mentioned yesterday. It is closed down. Again we have:

Meghna Jute Mill: Between 7,000 and 8,000 locked out. This is just a sample or glimpse of what has been going on. In the name of restricting production and for meeting the so-called recession, these employers are imposing unemployment on these workers. During this lay-off period, as Mr. Bhattacharyya had put it, they are entitled, for limited period, to get only 50 per cent of their wages and DA.

13.00 hrs.

During that lay-off period, I do not know, whether even of the 50 per cent of the D.A. which they get, even 50 per cent of that is impounded by you under the compulsory deposit scheme. I can tell the people who are sitting in high places and also the Madam that they do not have the remotest idea of what is the mood of the workers down below. You can pass hundreds of laws. But, if you go down and talk to the workers in basti and mohallas you will understand what the frame of their mind is. You have antagonised them unnecessarily. The

most organised and conscious class which would have stood with you in this emergency and was prepared to stand is unnecessarily being made hostile and antagonistic by all these ridiculous, stupid, shortsighted bureaucratic measures which you are imposing one after another.

You cut their bonus. You are now again saying that for another year, you have to submit to the compulsory deposit scheme. The morale and the enthusiasm of the workers is being completely undermined. I am warning this Government that if they do something like that, it will have a very bad political repercussion. Those very forces, which you wanted to suppress, are now getting access to these workers here, which before they never could get, because of the discontentment, because of the mood which is there.

I will say that we cannot agree to this Bill. The whole idea and philosophy behind it is all wrong. This is not the way to treat the working class, if you really want them to give their everything for production in this country. And regarding those people who are sabotaging production, closing it down and doing all sorts of things, no steps are being taken against them; they are allowed to handle much bigger amount of liquid money than ever before.

Finally, I would say that they are not going to withdraw this Bill, which is quite obvious, they are quite determined to put it through; they will put it through (Interruptions). What is amendment? There is no use of amending all these things. The point is that first you should explain why—if these repayments are to be made—these repayments are not to be made in cash? You should explain why the repayments, after 1978, are to be made by crediting them to the provident fund? You are anticipating that by 1978 you will lose your control over the price situation, price system altogether. Are there some misgivings because no explanation is being given?

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What has happened in the last two months? Everybody here applauded the Finance Minister at that time saying that this Budget is going to have a very great deflationary effect, but something just the opposite of that is taking place; it is very disturbing. I am not saying this just to gloat over it or something like that. I am very much worried about it. But there is no serious discussion here. The House is not allowed to discuss in seriousness these economic factors which take us to some position which we are not anticipating at all. The Government keeps quiet, silent about it, does not say anything. All they do is to come forward with this kind of a Bill. Therefore, we are totally opposed to this Bill. We feel that it is quite unnecessary and out of place. It is framed in the background of an assumption that the prices are declining when actually the prices are increasing. Let them explain this. Otherwise, we cannot support this Bill.

MR. SPEAKER: The House now adjourns for lunch to meet again at 14.00 hours.

13.05 hrs.

*The Lok Sabha adjourned for lunch till Fourteen of the Clock.*

*The Lok Sabha re-assembled after Lunch at Fourteen of the Clock.*

[MR. DEPUTY-SPEAKER in the Chair]

ADDITIONAL EMOLUMENTS (COMPULSORY DEPOSIT) AMENDMENT  
BILL—Contd.

MR. DEPUTY-SPEAKER: Shri Raja Kulkarni.

SHRI RAJA KULKARNI (Bombay—North-East): Mr. Deputy-Speaker, Sir, I welcome this measure. I have been listening very carefully to the speeches made by my learned colleagues from the Opposition. I do not agree with them that this is an anti-labour legislation, nor labour has been deprived of any money as such.

Essentially, this is a saving measure. It is not a depriving measure. The word "depriving" is not the correct description of the measure as such. In fact, when it is called the compulsory deposit, the word 'deposit' itself means, it is a saving and, therefore, the working class is really contributing by way of savings. They would be getting back the money which they own. The only point is that, for the purpose of the savings to be utilised for the growth of the nation, working class is asked to make a little sacrifice about immediate consumption. That is the real character of, and the basic philosophy behind, this legislation.

I am, therefore, welcoming this as a measure in the national interest. It is not only in the national interest, but ultimately it is in the interest of the working class also.

This was one of the measures introduced, originally in 1974 through an Ordinance, and many of us very sceptical at that time; We were not sure that the sacrifices arising out of impounding of both the additional wages and the increased Dearness Allowance would ultimately benefit the nation by curbing the inflationary forces. But the result has shown that, along with the other measures, this measure has also helped in curbing the inflationary forces. I am, therefore, looking at it from the larger point of view. It is not only the nation which has benefited. In fact, when inflation has been curbed and prices have come down, the working class has also been benefited. Therefore, the benefit has also come to the working class at the end of 1975. It is from this point of view that I welcome this measure.

The point that has been raised is this: the original intention was that some money should be taken out from consumption in order to curb the money supply; and now that the prices have come down and the inflationary forces have been curbed,

where is the necessity for this? The Finance Minister, in his speech, has paid compliments to the working class for helping the country in curbing the inflation. But the whole subject is not over with that. Whatever gains have been achieved are to be consolidated, and the money that is there with the Government having been deducted for the last two years—again this deduction has to be continued because, it will help consolidation of the gains for the growth of the industrial and agricultural production. It has to be used now for the purpose of growth. This is called the workers' contribution to the growth of the nation.

It is a 'capital fund' of the working class, and I would say that the Government should now go a step further and describe this measure as the beginning of the workers' sector in the national economy. The savings are now being mopped up for the purpose of growth. It is definitely a recognition that the workers are contributing towards the capital fund required for the Plan projects. Already in our national economy, the working class has been contributing to the growth of the nation. But here is a specific, big amount; I think, it is somewhere between Rs. 700 and Rs. 900 crores. This money will now be utilised for the purpose of growth. For two years when the additional wage increases were impounded at hundred per cent and when the additional Dearness Allowance was impounded fifty per cent, the whole deposit money was frozen. It was not used for the purpose of national growth. Now, this money is not being frozen and is being utilised for national growth. This is what is called a definite emergence of a workers' sector in the national economy. Even earlier, there has been the workers' contribution, but no specific mention was made by the Government about it. Indian working class has contributed to the growth of the national economy during the last two-three Plan periods.

I have got with me the figures of the contribution of the working class towards the growth of the nation as a whole. From 1952 to 1975 September, more than Rs. 3,000 crores in aggregate have been invested by the Government from the provident fund accumulation of the working class. Similarly, from the coal mines provident fund the aggregate amount of investment has been about Rs. 40 crores and from the State Employees Insurance Corporation about Rs. 140 crores. In all, about Rs. 3,180 crores have come from the working class and that money has been invested for the development of the nation. In this amount of Rs. 3,180 crores, I have not included the contribution made by the working class in small savings. Most of the amount in small savings comes from the working class and that also is a big amount. The contribution to the small savings during the year 1975-76 was estimated at Rs. 350 crores and out of that a large sum has come from the working class. In the current year 1976-77, Rs. 390 crores are expected through the small savings and the workers' contribution would also be there.

When that is the case, the working class has to demand, and rightfully they can demand, that the Government must carve out a national sector for them. When they are contributing more than Rs. 4,000 crores to the national exchequer for investment into the national economy, they would like to have an appropriate machinery in order to decide the policy for investment of this amount, and for what purpose it should be invested or it is being invested. The working class has no right over the investment policy of the Government. On behalf of the working class, I would say that we have no grievance in extending this compulsory deposit scheme by one year, but we have a right to ask, for what purpose this is being invested. Have we any voice in determining the projects for which our money

[Shri Raja Kulkarni]

is likely to be invested? The workers have also their own needs; the most important being their housing problem. Today, the working class is not in a position to say that out of the investment that has been made by the Government from their own money, how much has been spent to meet the housing needs of the working class. If adequate money has not been invested on things like this, we would like that our amount should be invested to meet the needs of the working class, like housing etc. We would like that the right should be given and some kind of a machinery evolved whereby the working class will be in a position to decide the policy of investment of their money which is collected at the national level. So, it is from this point of view that we are supporting this.

Now, in respect of the actual *modus operandi* of the scheme as it is being worked out, it is stated that the deductions which will be made from July, 1976 onwards will now be paid interest at a rate 2 1/2 per cent more than the bank rate which therefore would be 12 1/2 per cent. But, what is the estimate of the deposit amount? In the Financial Memorandum, it has been stated that the actual quantification of these deposits cannot be made as it depends upon the index number. So, this has created a doubt in our mind as to how much amount will really be collected. We would like to know if 50 per cent of the increased DA or the additional DA is to be deducted, then what "additional" means? Is it not the additional dearness allowance that has been paid for those beyond the index number of July, 1974? The July 1974 index number was 311. So, 50 per cent of any dearness allowance paid after index No. 311, was being deducted. Since July, August, September, October, 1975 and onwards index number has gone down. In December, 1975 the index number was 306 which is below the index number of July, 1974. In January till today the index number has

been much less than 300. So, where is the additional DA for the purpose of impounding? So far there was no additional allowance for impounding till June or July, 1976. Now, if the index number goes down even from June or July, 1976 onwards for one year, what exactly would be the additional DA in the view of the Government for the purpose of impounding? Some kind of an estimate is necessary. We would, therefore, like a clarification from the Finance Ministry that if the index number remains below 311 throughout the year 1976-77, that is, for one year from July 1976 onwards, where is the additional DA for the purpose of impounding? Now, that is my point on which I would like actual information be given by the Finance Ministry. Apart from this, basically I support this measure. I would conclude by saying that the Government should give the right to workers to decide the policy for investing the workers' money and especially, for their housing needs.

With these observations, I support the Bill.

SHRI S. M. BANERJEE (Kanpur): I beg to move my motion for circulation...

MR DEPUTY-SPEAKER: You have already moved it.

SHRI S. M. BANERJEE: I want to do it. I want to move my motion where I have demanded for circulation of this Bill for eliciting opinion thereon by 18th August 1976. The whole purpose was that at least let it be circulated and the trade unions must be given time to have a say in the matter. Why we are opposing this Bill has been amply explained by my hon. friend, the leader of the Group, Shri Indrajit Gupta.

I am here to know what is the total amount that lies with the Government out of these additional emoluments compulsory deposits. I am told that there is no account at all. I

quote from what Shri Ram Singh Bhai said—that the workers and the mill-owners do not know what is the amount deposited, the employees of the Public Undertakings of the Central Government do not know about it. I would like to know from the hon. Minister as to what is the actual amount.

I do not know when the money is going to be paid back in five instalments? We have been pleading in this House that there should be proper accounting. The books should be maintained by the workers and they should know what is the amount lying in deposit, what is being deposited and what is the interest accruing on that amount. But nobody knows what is happening.

Workers were told that if this liquid money flows into the veins of economy, there will be inflation. A reasonable restriction was imposed on the workers and this money was deducted by an Ordinance, later on it was converted into an Act. The money which the Government never wanted the workers to spend was spent by the Government. I do not know what is the actual amount. This is somewhat surprising.

If I am not misunderstood, it is a sort of misappropriation by the Government. The money was deposited in good faith by the workers. They felt that the money was safe in the hands of the Government. But, the Government spent that amount. There was no justification for the Government to do so. There was no proper explanation. We asked some questions on this. The reply was that the Government has spend for some good purpose. What is the purpose? We call in Hindi "प्रधानत में खयानत"

I keep something with a particular person as 'amanat', a trusted thing, and he goes on spending that amount. The amount of the employees or the working class was deposited with the Government in good faith to fight

inflation. But it was spent by the Government without giving any reason or with proper explanation. I do not think that any Government can possibly do it. This was deposited with the Government, not with the AICC to spend the amount as per their sweet will. I can understand if they consider it as the Congress or election fund, they could spend that amount. But it is not so. What is the proper justification of their spending the amount? Why should the working class have any more faith to the extent that these amounts should lie with the Government for another year? I say, the continuance of this particular Bill or an Act is not all justified. The reasons in this regard have been very ably put forward by Shri Indrajit Gupta. Government says that it is to fight inflation, or it has a salutary effect. Concession after concession has been given to those people whom they salute.

MR. DEPUTY-SPEAKER: Why do you repeat?

SHRI S. M. PANERJEE: I am not repeating. How the income tax has been reduced, you know it.

Another point which I would like to mention here is that they say that the prices are coming down. According to them the wholesale price has come down, even the retail price is coming down. But if you read today's or yesterday's paper you will read that the prices have gone up again by 2.5 or 3 per cent. I do not know, because this is manipulated to suit the convenience of the Government. Actually the prices are going up. But according to the Government these are coming down. What is their fear? How is it that even today the hon. Deputy Minister Shrimati Rohatgi or Shri Subramaniam is unable to convince this House where has the sixth instalment of D.A. gone?

In whose pocket has this gone? When Mr. Subramaniam agreed on 5th instalment of dearness allowance he-

[Shri S. M. Banerjee]

made a solemn promise that the payment of 6th instalment was also being considered. Where has that amount gone? Has it also been deposited? If it is deposited, in which fund?

Sir, this measure was taken at a time when there was galloping inflation. We pointed this out at that time. But still the workers wanted to give a fair deal. They did not grumble. They did not grouse. They kept mum thinking that the solemn assurance given that this will be for one or two years will be honoured. Now it is being extended. Another extension also will be done, we don't know.

They are taking advantage of the emergency. They are taking advantage of the MISA and DIR. They are curbing trade union rights of workers so that they may not agitate.

I wanted this Bill to be circulated for eliciting public opinion; they will not do it, I know. At least let the Bill be referred to a committee; that also they will not do; I know, Sir, they have not consulted any of the central trade unions. They have not consulted any of the members of the national apex bodies or the State apex bodies. Sir, Mr. Kulkarni made a speech and has gone away to the Central Hall. In the Central Hall he will definitely say: What can I do? I don't agree with the Bill but I have to support it. So, they are speaking against their conscience, only because they are afraid of Mr. Raghuramiah and his whip. But we have our conscience. We are for the working class.

SHRI M RAM GOPAL REDDY (Nizamabad): Mr Kulkarni is not here to contradict you

SHRI S. M BANERJEE: He will contradict me in the Central Hall, don't bother, — if there is anything to be contradicted.

So, Sir, this Bill is wrong. This scheme itself is wrong. It will meet

with the same fate as the Gold Control Bill. Mr. Morarji Desai used to say that this was the only measure which will unearth hidden gold and all that. Still no gold was unearthed and gold remained where it was. So, this is another measure which is not at all going to help the country. According to Government's own argument, if prices are falling, why should this scheme be continued at all?

With these words I oppose the Bill. I request that my motion for circulation for eliciting public opinion may be considered by the House.

श्री हरी सिंह (बुर्खा) : माननीय उपाध्यक्ष महोदय सदन में एडीशनल एमालु-मेन्ट्स (कम्पलसरी डिपॉजिट) बमेंडेन्ट बिल 1976 पर बर्बाब चल रही है। इस बमेंडेन्ट बिल की जो मुख्य मंशा है वह यह है कि देश में जो मुद्रा का फैलाव हो गया था देश में जा मुद्रास्फीति हो गई थी जो एक समानान्तर मुद्रा का फैलाव हो गया था जिसके कारण महंगाई बढ़ गई थी, देश में आर्थिक संकट आ गया था, लोगों का जीवन दूबर हो गया था उस पर अंकुश लगाया जाये। इस बिल का यही मुख्य उद्देश्य है कि महंगाई को समाप्त किया जाय आप जानते हैं यदि हम कम्पलसरी डिपॉजिट स्कीम को समाप्त कर दें इसी जुलाई में तो अगले साल ही तो करोड़ रुपया और देश में फैल जायेगा जिसके कारण देश में मुद्रा का फैलाव होगा। जिस महंगाई को हमारी सरकार ने बड़ी मेहनत और कुशलता के साथ खत्म किया है और एक खुशहाली का वातावरण पैदा करके देश के प्रगति के रास्ते पर प्रागे बढ़ाया है उसका ठेस पहुंचेगा।

यह जो कम्पलसरी डिपॉजिट बिल है इस से जो रुपया जमा होना है उस पर उन कर्मचारियों को जिन का रुपया जमा होना सबा बरह परसेन्ट व्याज मिलेगा। आप जानते ही हैं कि मध्यम श्रेणी के जो कर्मचारी हैं, निम्न श्रेणी के जो कर्मचारी हैं व कोई पैसा नहीं



बचा पाते हैं और भारत की सत्कृत  
देवी रही है जिसमें किसी न किसी  
रूप में—पहले प्रचलन यह था कि जेवरों के  
रूप में भविष्य के लिए भविष्य निधि बनाया  
करते थे—लोग अपने भविष्य के लिए भविष्य  
निधि बनाते हैं। आज शिक्षा और नई प्रणाली  
आ जाने के बाद जेवरों का रिवाज कम होना  
आ रहा है। आप यह भी जानते हैं कि आज  
हमारी सभ्यता और मीज्वा काल की प्रगति  
का प्रभाव है कि जिस इन्सान के पास पैसा होना  
है, वह उस का बहुत बड़ा हिस्सा लगज्जी में  
खर्च करना चाहता है। यह जो बिल लाया  
गया है उस का उद्देश्य न केवल सरकारी कर्म-  
चारियों से रुपया लेना है बल्कि उन में एक नई  
भावत पैदा करना है कि वे अपने भविष्य के  
लिए रुपया बचा सकें। आप यह जानते हैं कि  
किसी को कितना ही पैसा दे दें—उन लोगों को  
आप छोड़ दीजिए जिन को पैसा देा करने  
का एक मीनिया होना है और पैसा बचाने की  
एक शक्त सी हानी है—जो मध्यम श्रेणी के  
कर्मचारी हैं या निम्न श्रेणी के कर्मचारी हैं  
उन में रुपया बचाने की इच्छा होने के बावजूद  
वह पैसा नहीं बचा पाते हैं। मैं यकीन के साथ  
कह सकता हूँ कि इस योजना से सरकारी  
कर्मचारी वर्ग में कोई मन से विरोध नहीं है या  
उस में इस का किटीसज्म मन से नहीं लिया  
है। उन की भावना है कि यह डिपोजिट स्कीम  
उन के लिए वर्कमें के लिए अच्छी है और  
उन के हित में है।

मैं यह भी कहना चाहता हूँ कि जैसा कि  
हमारी सरकार ने तय किया है कि समय के  
खतम होने के बाद जो कर्मचारी अपना पया  
किस्तों में नहीं लेना चाहेंगे वे उस रुपये को  
अपनी भविष्य निधि में जमा कर सकते हैं  
सरकारी कर्मचारी बड़ी भारी संख्या में इस  
रुपये को अपनी भविष्य निधि में जमा करेंगे।  
यह मैं आप के माध्यम से सबन में कहना चाहता  
हूँ कि हमारे जो कर्मचारीगण हैं उन के हित में  
यह बिल है और उन के भविष्य के लिए है।

दूसरी तरफ इस का एक और पहलू है  
और वह यह है कि देश के अन्दर जो एक आर्थिक  
संकट आ गया था, उस को खत्म करने का यह  
एक सबल शस्त्र है। आप जानते हैं कि जो  
रुपया इस तरह से हमारे यहाँ इकट्ठा किया  
जायगा वह किस पर खर्च होगा? यह योजना  
पर खर्च होगा। योजना किस के लिए है?  
आज जो गरीब हैं और पावर्टी लाइन के नीचे  
पड़े हुए हैं, उन के उत्थान और विकास के लिए  
अनेकों स्कीमों में और योजनाएं हैं। उन पर  
यह पैसा खर्च होगा। आप जानते हैं कि हम से  
जो हम को रुपया मिलने वाला है वह रिजर्व  
बैंक की रिपोर्ट के मुताबिक अप्रैल 1975  
तक 152 करोड़ जमा हो गया था। यह एक  
बहुत ठोस राशि है। इस से हम कितनी ही  
योजनाओं को पूरा कर सकते हैं। अगर इस  
स्कीम के जरिये से महगाई रोकनी और उस पर  
अकुश लगेगा तो इस में आम जनता को फायदा  
होगा।

मैं यह भी कहना चाहता हूँ कि पिछले  
साल जब सरकार ने यह घोषणा की थी कि  
कर्मचारियों का महगाई भत्ता 5 रुपये से ले  
कर 20 रुपये तक बढ़ा दिया गया है तो मार्केट  
में सुबह ही बाजारों के भाव उनी तह से चढ़ने  
शुरू हो गये थे। इसलिए ऐसा होता रहा है  
कि इधर महगाई भत्ते के दिये जाने का घोषणा  
हुई और उधर दाम बढ़ने शुरू हो गये। तो  
एक इस तरह का ट्रेंड मार्केट में देखना हो  
गया था लेकिन वह जो प्रवृत्ति थी उस को अबाध  
ठेस पड़ची है। इसलिए यह जो बिल लाया  
गया है यह आर्थिक ढाँचे की नींव को मजबूत  
करने के लिए है। आज 19 मिलियन से  
ज्यादा कर्मचारी हैं जोकि सेन्टर में स्टेट्स  
में और पब्लिक एन्डरेटिकंस में हैं। उन में से  
कितने ऐसे लोग हैं जोकि भविष्य के लिए रुपया  
जमा कर सकते हैं। इसलिए यह जो किया जा  
रहा है उन के भले के लिए किया जा रहा है  
और सरकार की कभी भी यह मना नहीं रही है  
कि यह जो पया उन कर्मचारियों का होगा, उस



[श्री हरी सिंह]

को बंधे में डाले जो उन को बच में प्राप्त न हो सके। उन्होंने ब.कायदा बिल के मुताबिक कानून के मुताबिक घोषणा कर दी है कि एक एक सिलिप दे कर कर्मचारियों को बताया जाएगा कि कितना रुपया उन का जमा है। इसलिए यह बिल हमारे देश के हित में है और अधिक ढांचे को सबल बनाने के लिए है। देश के सामने एक संकट है, आर्थिक संकट है और उस आर्थिक संकट पर विजय पाने के लिए हमारी प्रधान मंत्री श्रीमती इंदिरा गांधी ने बीस सूत्री कार्यक्रम देश को दिया है और उस कार्यक्रम में एक यह भी बात है कि देश आर्थिक तौर पर अपने पैरों पर खड़ा हो, इसकी आर्थिक नींव मजबूत हो और मैं समझता हूं कि यह बिल उसी दिशा में एक कदम है। अगर दो साल तक हमारे कर्मचारी वर्ग ने इसकी बरदास्त कर लिया है तो अगले साल भी वे खुशी से इसको बरदास्त करने के लिए तैयार हैं।

एक बहुत फ़ैला हुआ है कि सरकारी कर्मचारी कम्पलसरी डिपॉजिट स्कीम का विरोध करते हैं और वे अपने दिल में भाग छिपाए बैठे हैं। विरोधी दल के लोग समझते हैं कि अगर एमरजेंसी हट जाए तो सरकारी कर्मचारी इस इशू पर उनके साथ हो जाएंगे। मैं समझता हूं कि यह उनका भ्रम है। आज नए नए कार्यक्रमों के जरिये, योजनाओं के जरिये, नए नए कानूनों के जरिये समाज में एक काम्प्लेक्स पैदा हुआ है और सरकारी कर्मचारी भी समझते हैं कि कौन पार्टी उनके हित में कार्य करती है। वे यह भी समझ गए हैं कि अगर देश में खुशहाली आएगी तो हर वर्कर्स का पेट भी भरेगा और और उसके यहां भी इससे खुशहाली आएगी। वे समझ गए हैं कि क्षाब्धीलन चला करके किसी देश में खुशहाली नहीं आ सकती।

इन्हीं शब्दों के साथ मैं इस बिल का समर्थन करता हूं।

SHRI P. M. MEHTA (Bhavnagar):  
Mr. Deputy-Speaker, Sir, I oppose this Additional Emoluments (Compulsory Deposit) Amendment Bill, 1978. I remember that the Finance Minister of India announced at Madras that inflation has been completely arrested and the rate of inflation has come down to zero. If it is so what is the necessity of extending this anti-labour, anti-working class and anti employee measure for one year more.

This measure amounts to a wage-freeze. Dearness allowance, as you are aware, is the element for reducing the effect of the high prices. If the prices have come down and the inflation is arrested no such like measure is necessary.

Therefore, Sir, this measure is unwanted and it brings on the contrary hardship to the labour and working class.

Recently the prices of practically all the essential commodities, viz., edible oil, vanaspathi, spices, cloth, sugar, kerosene, etc., have started showing an upward trend and the prices have gone up. Whereas the consumer price index, as reported, shows decline, the prices are actually going up and, as such, the working classes are now losing the faith in that index mechanism that it is something like a manipulated thing which does not reflect the real situation. Under these circumstances if this measure is extended by one year it will erode the real value of their earned wages. Therefore, I oppose this Bill.

As regards its account side no reason is given to any worker or employee in this country so far. Nobody gets the receipt as to what amount has been deducted and to what account or number this amount is deposited. Nobody knows about it. This compulsory deposit impounded from the earnings of the workers has

been spent by the government to the extent of Rs. 1000 crores and odd. This House has every right to know whether it has been used in a productive manner or in an unproductive manner which gives no return to the country. Nobody knows how this money has been used. Government has not cared to take this House into confidence in this regard.

Time and again it is stated that from the side of the treasury benches that prices have come down because of the emergency. I have myself stated here before that emergency should not be equated with the economic programme, because it is not meant for that purpose. Granting that emergency brought about the benefit of prices coming down, how is it that though the emergency is continuing, prices have again started showing an upward trend? Should we understand that it has lost its impact or the government has failed to continue to check the rise in prices?

By bringing this Bill forward, the Government has acted very much against the working classes and virtually it has adopted an anti-labour approach. Therefore, this measure is unwarranted and I oppose it. We had suggested an alternative, viz., enhancing the rate of provident fund. It will be a good saving for the workers and at the same time, the employers also will be compelled to contribute at a higher rate and there will be a good saving for the employees. But they do not want to touch the side of the employers and they have only imposed this compulsory deposit on the workers.

With these words, I oppose the Bill.

SHRI M. RAM GOPAL REDDY (Nizamabad): Sir, I support the Bill. There is a hue and cry from the opposition that this compulsory deposit scheme is being applied only to the working class. I suggest that it may be applied to Members of Parliament also excluding the Chair ...

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MR. DEPUTY-SPEAKER: I do not want to be excluded.

SHRI M. RAM GOPAL REDDY: Thank you. There was a time when there was too much money and too few goods. Now there are enough goods and sufficient money with the people. Whatever they can save, that is being taken away by way of deposit.

They say, prices are rising. But price of paddy has come down by 50 per cent this year. Prices of pulses have come down by 200 percent. In Andhra Pradesh, last year pulses were sold at Rs. 240. This year the price is Rs. 80 per quintal. That is the fate of the agriculturists. In India, 80 per cent of our income is being spent on food only. When the food prices are going down, there should not be any objection in taking away some money from the workers. Moreover, this is only a deposit and it will be returned to them at a future date. I have seen several such workers who after working for 30 to 35 years, do not have any amount with them at the time of their retirement.

The opposition says that this is an anti-labour policy. After all, this Government enjoys the support of a vast majority of people in this country and labour also is a part of this country. We have been getting the support of the labour for the last 25 years. Now, we are not going to dismiss the labour. Rather, we have to convince them that they should not spend money in a way which is harmful to their own family itself. There is a great responsibility on the workers. I feel that the workers always want more money but they do not know how to spend that money. A large part of the amount of excise duty comes from the poorest classes because they spend all their money on liquor and other things. Therefore, I request the Government that some sort of education should be given to the workers. On May Day, I said in the open labour meeting that the workers must save something. Without sav-

(Shri M. Ram Gopal Reddy)  
ing something, they cannot improve their financial position and they cannot educate their children. So if a small amount is recovered from their pay, they will have the habit of saving something. And this is very important. Until and unless we have the habit of saving something, the country cannot go forward. There is always a scope of saving something even with the small income that they have got. The Government has done a good thing by introducing this scheme. This amount is going to be credited in their provident fund accounts. And when the moneys are refunded to them, they will get double the amount.

MR. DEPUTY-SPEAKER: Not in this case.

SHRI M. RAM GOPAL REDDY: Yes, sir, with interest, they will get.

While speaking, Mr. Indrajit Gupta said that the Government had revised the quantum of bonus. The bonus should be paid only on the profit.

MR. DEPUTY-SPEAKER: There is no question of bonus.

SHRI M. RAM GOPAL REDDY: But he has said so, which is not correct. I congratulate the Minister for bringing forward this Bill. Some Members have the apprehension that it may be extended beyond three years. I certainly want that this should be extended beyond three years.

SHRIMATI M. GODFREY (Nominated Anglo Indians): While congratulating the Government for increasing dearness allowance for the employees, I just like to put one question. In the Objects and Reasons, it is said that the Additional Emoluments (Compulsory Deposit) Act, 1974 is one of the legislative measures which was enacted with a view to protecting the real incomes of industrial workers and salaried employees who were worst hit by the rise in prices. The Government also do agree that there is a rise in prices. That is why they

have given this increase in the D.A. When they cut the increase in the DA, how are they going to help the people affected by the price rise? I would rather like to say that this compulsory saving should not be imposed on those employees who are getting less than Rs. 500, because their take-home money is not sufficient even to feed their families. They go to money-lenders, they are always half-starved and under-clothed and unable to educate their children. The higher income group can be subjected to this stipulation, but those getting below Rs. 500 should be released from this bondage of compulsory saving. They will get their provident fund money in their old age, when they would not need it much. But now, when they need the money to meet the needs of their families, it is very important that they should be given the increase in the DA, which the Government had generously sanctioned to them. Most often, the provident money comes in at a time when the children's education is over and they have started earning and the daughters have been given in marriage. But I think that it is during the time of education of the children and bringing them up, that the employees need all the money that they can get. Moreover, the employees know that the rupee has appreciated in value now; but they do not know what would be the value of the rupee a year hence, or two years hence. There is also a fear among the workers that if the value of the rupee falls, then the money which comes back to them later, will not have that much value. They want to make the best use of their money now. As such, I suggest that the higher income group should be brought into this scheme and the lower income group exempted from it.

They say that the money which will be put into the provident fund will not carry interest. I think that the Government should ensure that whatever money goes into the provident fund account in this manner, should also carry interest. Otherwise,

the Government can give a little more of increase in DA to the low-paid employees, so that they will have some benefit. The Government wants to help the low-paid employees who are hit by the rise in prices. We can give such employees a little more; and then put a part of it into the provident fund account. This will enable the poorer classes to enjoy the benefits of increase in DA, which they are not doing now. If this is done, they will remain thankful. With this request, viz., that Government should exempt the lower income people or give them a higher rate of D.A. I thank the Chair for giving me this opportunity.

SHRI B. V. NAIK (Kanara): Mr. Deputy Speaker, Sir, I have been rather confused, as usual; I say this as a good piece of self-confession and of great moral courage. I have been confused as usual. (Interruption) Confusion, I think, is the hall-mark of those who think and think with a certain amount of humility, about the actual conditions.

I definitely do not have that sort of clarity of thought, particularly in this exact science of Economics, which can come only through a certain amount of ideology or other conviction or we can say even fanaticism to that extent which gives us a certain amount of clarity. So, to that extent I am deficient and myself to blame. But I owe no apology.

The reason is that we have been hearing complaints from almost every quarter. Some weeks ago, we discussed about the fall in prices. Shri Nathu Ram Mirdha is a very learned Chairman of the National Commission on Agriculture. Even this confusion, I accept and I also apologise for this. With due deference to Shri Nathu Ram Mirdha, I say that the prices of farm products, particularly of wheat have been receding and the prices of other pulses (paddy and rice) or also falling.

So, the farmers have to be on a crusade for a farm product price support. There is a cry on behalf of the farmers. I do feel that farmers are also part of the working class, the ideologies being what they are. Then, some time back, the president of the Federation of Indian Chamber of Commerce and Industry, Mr. Harish Mihindra, had a long tale to tell that the whole industry—after all, he is a top capitalist of this country—the entrepreneurial capitalistic class, in particular, has been facing a recession of the worst sort after the emergency, and unless you do something to stimulate the demand, the industry will be facing a crisis.

Now, today, listening to the eloquent plea of the champion of the working classed, Shri Indrajit Gupta and also Shri Dinen Bhattacharya, I came to the conclusion that the working class of this country also is facing a tremendous amount of crisis. Then who is left—the workers, the capitalists, the industrialists and the farmers? (Interruptions)

So, we have a situation in this country of a sort of even handedness on behalf of the Government that if they have dissatisfied anybody, they have not dissatisfied only the working class, but there is a justice, a sort of socialistic justice that the capitalist is crying, the worker is crying and the farmer is crying. What is the intention of this greater evidence? (Interruptions).

MR. DEPUTY-SPEAKER: This is true socialism

SHRI B. V. NAIK: There is an impartial approach and the country which has a socialistic approach, if it has to emerge out of it .....

SHRI SOMNATH CHATTERJEE (Burdwan): Country of weeping persons.

SHRI B. V. NAIK: It is only through tears and sweat that we can make progress.

SHRI SOMNATH CHATTERJEE:  
Crocodile tears. (Interruptions).

SHRI B. V. NAIK: The gentleman of the Opposition may kindly understand even at this late hour that it is only through hard work, sweat of the brow and toil that we can build up this country and not through long speeches which you are trying to make.

SHRI SOMNATH CHATTERJEE:  
The hard work like Mr. Harish Mahindra is putting in.  
15 hrs.

SHRI B. V. NAIK: Mr. Harish Mahindra may be putting in hard work in his own way. The Barrister. Mr. Somnath Chatterjee, also puts in hard work and earns, he knows better, what he does.

SHRI SOMNATH CHATTERJEE:  
The Department also knows.

SHRI B. V. NAIK: With due deference to Mr. Somnath Chatterjee who has helped the cultivators in my constituency immensely. (Interruption).

Sir, according to certain knowledge, there is what is practical economics. There is a saying—all of us have learnt it—try to save during inflation and spend or invest during deflation. This is an elementary sort of principle or sort of pep talk or advice for all people who want to save; kindly save during inflation. What better time is there than the present one when inflation has been contained to a certain extent, when we should mobilise the opinion of our working class: please don't spend now, save now. Because at the time when the prices as a result of all these measures will have come down, the same piece of land which will cost now "X" rupees will begin to cost "X-5" rupees if the worker is to invest that money five years hence. If the land prices fall and the cost of construction falls, then he will have made a better investment during a period of deflation. Much more could be said about it.

A point was made today that there has been a rise in the price index by about 2.5 about 2.5 to 3 per cent in the recent months. But if we have to keep our eyes open, we see what is happening in our very close neighbour countries. There is a cutting time. The Times Survey has questioned it is of 1974. Still we can know the dimensions if you see the comparative position regarding inflation. It says, "115 per cent rise in Bangladesh cost of living index". What does it end up to? Since the time of the House is very important, I will not take much from the Economic Times. Of course, it mentioned the accuracy of these calculations stating that since they are prepared from the official price bulletins, they would certainly show a downward trend.

I support the Bill. What has been stated in the Statement of Objects and Reasons is that the objective of arresting the price spiral has been substantially achieved. It is not an overstatement. The Statement of objects and Reasons prepared on 15th April, 1976 says that the price spiral has been substantially contained. Now, the question before this House is: Are we going to take steps where the good work, the constructive work achieved during the period of Emergency, since June 15, 1975, for period of 12 months, is going to be reversed or are we going to continue and consolidate the gains? I am sure, Rs. 1000 crores pumped into the market will definitely result in reduction of the real wages. While the money wages may look upwards, the real wages will fall and the capacity to buy will fall.

Under the circumstances, though it may look like a bitter solution, not so very palatable, not instantly palatable, it is still a solution. I would, therefore, urge upon the leaders of the Opposition, the leaders of the working class, to kindly consider it and extend their whole hearted support to it.

**SHRI P. G. MAVALANKAR** (Ahmedabad): I rise to express my dissatisfaction and even opposition to this proposed Additional Emoluments (Compulsory Deposit) Amendment Bill, 1976, on more than one ground.

My first observation is that, looking at the Statement of Objects and Reasons and judging from the Central Government's stand on this particular issue, it seems to me that Government are in two minds: on the one hand they say that what they wanted to do has been achieved, and on the other hand they say that it has not been achieved fully and, therefore, there is need for this particular piece of legislation. My friend, Mr. B. V. Naik, who spoke just now, ended with a sentence which he quoted from the Statement of objects and Reasons:

"The objective of arresting the price spiral has been substantially achieved"

But he did not go further. The Statement of objects and Reasons goes on to say:

"But the need for controlling the expansion in money supply to consolidate the gains towards stability continues."

The question arises whether it is the responsibility only of the lower middle class employees to sacrifice? Is it not the responsibility of the other sections of the community also in whose hands you have allowed a lot of money to remain for all kinds of consumption, all kinds of expenses? Therefore, my observation is that Government are in two minds: on the one hand, they want to take credit for something for which they know they cannot take credit, and on the other hand, they can take credit and so they must justify the steps that they have been taking under the present supposed Emergency. If really inflation has been arrested, if really price rise has been stopped and if

everything is good and fine, then where is the need for this Amendment at this late stage, in May 1976? Therefore, my point is that this is a typical example of trying to take the credit and at the same time, also realising that what they have done is not adequate and then to go on giving the punishment particularly to those sections of the people which, in any case, belong to the weaker sections of the community. Have you ever understood or realised this? In any part of the world, particularly in countries like India, if the people with low income are given a little extra money, will they spend it lavishly on things which they need not spend on? In our country where millions of people have not got enough money to make both ends meet, to have two square meals a day, a ask them to sacrifice, restrain and control and in the same breath to ask the big business and the higher-salaried people and other people with lot of money to go on spending lavishly, is a contradiction which we cannot accept.

Secondly—I am really trying to expand my first point—why tax only the labour, only the people with low incomes? Why not also have this with regard to the employers? When you say that fifty per cent of the increased Dearness Allowance of the employees should be impounded, not only for two years but also for one more year, is there any similar restriction in operation in the case of the employers? Can the Finance Minister tell us about it? Are there any restrictions on their consumption pattern? Judging from the kind of expenditure which these people are making even after the Emergency, in the last ten months or more, one gets the impression that they are not at all affected in any way by considerations of Emergency or the consideration of need to have a regulated, controlled economy, to make certain kinds of sacrifices, to have certain kinds of self-imposed controls on their expenditure pattern and consumption pattern. Nothing of that kind has happened. Therefore, it is

local authorities Rs. 314 crores; wrong to come forward with this Bill. I am opposing this particular Amendment Bill because it only touches those who are already weak, who are already punished—because they are getting low incomes—and it leaves untouched those sections of the community which are not at all affected by the adverse economy or inflation or price rise—because they are the people who, in any case, will be having enough money to spend on their daily needs.

Therefore, my point is that the labour, the lower and the middle class people should have been spared.

Then, I want to ask this of the hon. Finance Minister with great respect. He has given so many concessions to the big business, especially in terms of reduction in direct taxes, etc., and his hope, in fact everybody's hope, is that they will pay the taxes honestly and will invest the money for productive purposes in the interest of the industrial development of the country. The hope is that all that money will be put back in production. The concessions that he gave last week and the general impact of the budget this year has been pro-business, pro-monied people and pro-capitalists. If that is so, my third point is, how is it that you go on giving such concessions one after another to big business and industrialists and go on repeating your restrictions and controls on the fixed income, fixed wage or salaried people, whether they are employees or labour.

Now, look at the conspicuous consumption of these big business and monied people. One had hoped that the conspicuous consumption of these big business and monied people would be arrested, but can the Finance Minister tell us looking round the country if the conspicuous consumption on the part of the business people, industrialists, executives and others has appreciably gone down? My apprehension is that it has perhaps gone up in some respects. They are spend-

ing more money on conspicuous consumption now than they were doing before Emergency. Where is the impact of Emergency on these people? I come from Ahmedabad and I know in that part in Western India, people with very big businesses seem to be very happy. They seem to feel that Emergency has not affected them adversely. But certainly it has adversely affected the working class, fixed income people and the middle class people.

Finally, I would like to ask the Finance Minister; was this particular bill not the present amending bill but the original Bill, not a part of the package deal, a package deal to deal with inflationary tendencies and problems? If it was a package deal, why is it that you take out one part of the package and amend it by having one more year, and not amend other parts of the package deal, which were there two years back? You have not touched all the things; you are taking out only a part of the package deal which was there two years back and now saying that this particular thing will be amended, and consequently for one more year the workers and employees will be in difficulty.

My last point is regarding provision of accounts. If I am wrong, the hon. Minister may kindly correct me. I find from the Bill and the Statement of Objects and Reasons that there is no mention anywhere about the need to keep an account of the money that is being kept aside for the workers and employees. If there is no proper account, and the worker or employee dies in the middle of the period or he is out of job, he does not know, how much money is there. Many of the workers and employees are illiterate and they would not know in the absence of proper accounts and the account statements being supplied to them, how much money stands to their credit. Only today, I received a letter from the workers of Maharana Mills, Porbandar. It is a signed docu-



ment and they have made a complaint that for the last three years, they have not received their provident fund slips from the Provident Fund Commissioner's office stationed in Ahmedabad, which is a part and parcel of the Central Government's offices. If people working in the mill in the normal course do not get their provident fund statements properly written, and signed, how can we expect that they will have an account of the amount which you say, you are temporarily going to keep in your custody?

For all these reasons, I oppose this Bill. I am not using the phrase "anti-labour" for this Bill in its fashionable sense, or opposing it in the conventional sense, but coming as I do from Ahmedabad which is a large textile area with an industrial complex near about places, I know that most of the workers and employees are not able in any case to spend their money on any luxuries, they only spend on essentials and on making both ends meet, and so, to ask them to make further sacrifices, and at the same breath ask big businessmen and industrialists not to make those sacrifices is a contradiction which, in any case, I cannot accept.

SHRI CHAPALENDU BHATTACHARYYA (Giridih). We are now discussing this Additional Emoluments (Compulsory Deposit) Amendment Bill in the background of the Budget and the Finance Bill and the performance of our economy during the last 12 months.

Inflation has certainly been contained but there is stagflation and there is always a possibility of inflation on the rebound as has been proved again and again by the performance of so many other economies of other countries. Even in highly developed countries there is a bit of an in-built inflationary tendency and for instance, in USA there is a net inflation of 3

per cent. The stagflation in India has been broken in the sense that there is a growth rate of 4.5 per cent. But we are not happy about the growth rate. In many countries, they say that any growth rate less than 6 per cent is not worth consideration.

Now, we have to go a long way and in the face of the various imponderables from outside impinging upon the Indian economy we have always to find our solution by trial and error and, say, in next two years or three years. Considering these factors, I think we have done well and we have made the grade. There is increased capacity utilisation. The industry is picking up. Food production has gone up. These are the redeeming features. But, as somebody emphasized, the workers' complaint is; 'Inflation is eating into our real wages.' The employers say, 'Inflation is eating into our profits.' The rupee or the pound sterling or the dollar will say, 'Inflation is stealing our balance of payment.' So, in this sort of uncertain world economic forces we have been trying to find our way through, this zigzag by critical path adjustments.

Firstly, there is a backlog of large unemployment in the country. Secondly, I emphasize, the irrational wage structure all over India has become a great hindrance and thirdly, the demand raised by trade unions about the inviolability of their wage earnings and pay packets. Their demand, to my mind, stems from the view that their relative money wage levels must be maintained. To illustrate, if Bhilai's employees are getting Rs. 700, if the driver is getting Rs. 1200 and if the coal-miner is getting Rs. 500, immediately the coal miner's wage is increased to Rs. 700, the demands from these other two categories might reasonably arise that this wage differential must be maintained between one sort of employment and another. This has brought about a great irrationality in our wage structure and it will require all our efforts

[Shri Chapalendu Bhattacharyya] to rationalise the wage structure just as we are rationalising the technology and just as we are rationalising our industrial production. To the extent this Additional Emoluments (Compulsory Deposit) Amendment Bill is a holding operation, I support it because in the long range,—not in that long run when we are all dead, but in 3 or 4 or 5 years to the extent—it controls inflation, it will be of great help to the workers themselves. Even in Britain, for instance, the pressure from the trade unions has brought about a change in the government and led to national elections. A new government came in and even trade unions, when faced with the sinking sterling, has to come down to the common ground and the reality of the economic situation and they have accepted a 3 per cent growth in their money wages. So, a realistic commonsense is called for from the trade union sector. For, if the national cake itself is shrinking a larger share of that shrinking national cake will not help the workers to get more than what they were getting previously. The most important and encouraging part of the situation is that this inflation has been controlled. I do not say it has been licked because if there is rebound now, it would be very much worse. So, the Finance Minister should not and cannot take risks in this phase of transition of our economy, from inflationary slump to the falling price boon. He has to take all necessary measures and there are difficulties inherent in the system itself.

The persons suffering from diseases are sometimes given tranquilisers and energisers simultaneously. It is the same system of stimulus and control by which this economy has to be goaded now that vista of growth, self-reliance and technological independence is now opening up before us.

I, therefore, unhesitatingly support this Bill, but with this proviso that the persons from whom—we are

taking this deposit should know how much has been deducted from their pay, with whom the money is now deposited and exactly when they will be repaid. With these words, I support the Bill.

THE MINISTER OF FINANCE (SHRI C. SUBRAMANIAM): Mr. Deputy-Speaker, I am very well aware that this is a Bill for which I could not expect a unanimous support. Leave alone the other side, even on this side, I am sure, there are people who have some reservations with regard to this Bill and, perhaps, if I apply only my own mind, I may have a certain bit of reservation. But as a Finance Minister I have to discharge the national duty of managing the economy and in that process we have to take some decisions which may not be palatable just like a doctor administering a medicine or a surgeon undertaking an operation.

As far as our objective is concerned, what do we want to achieve? Is it merely to get more and more money in terms of rupees or do we want in real terms the purchasing power of the people to increase? Naturally, that can be the only answer and I am sure all the other Members will also agree with it that the real wages should increase. That should be our objective. As long as there is an inflationary trend in the economy, certainly the real wages cannot increase even though money wages go on increasing. We had seen during the period of years when the dearness allowance was chasing the price and the price was chasing the dearness allowance, we went on increasing the dearness allowance. The result was as has been pointed out by Shri Bhattacharyya—when we do not compensate for full hundred per cent to the extent inflation goes on increasing the real purchasing power goes on decreasing in a progressive manner. Therefore, now what is important is how to contain this inflation and to

bring down the prices so that with the money which a person is able to earn, he is able to purchase more goods and particularly the essential goods which are required for the necessities of human beings, like food, cloth, health facilities for which we have made other provisions also, health insurance schemes, etc. The children should get education. All this will have to be taken care of. It is from this aspect that I would like hon. Members to consider this Bill and not merely from any narrow point of view.

This will have to be looked at from the national point of view and not merely from any sectoral point of view. And if you look at it from the national point of view, I have no doubt in my mind that as far as this Bill is concerned, this is the measure which is absolutely necessary in the present conditions.

We talked about containing inflation. We have contained inflation. But if you look at the world today, you will find, it is in a state of turbulence. Six months back in the international conferences we were given the assurance that all the developed countries have turned the corner and now there won't be any inflation and there would be further development there. However illusory that theory might be, their theory was that when they develop something will percolate to the poorer countries also.

While I do not subscribe to that point of view I am emphasising this aspect that this was the statement made by almost every Finance Minister belonging to the developed countries. But what is the state of affairs today? It is again in a turbulent state.

Two or three weeks back when I was speaking in the other House I said that perhaps the only two currencies which have got not only stability but also strength were the

West German Mark and the Swiss Frank. But what was the news two or three days ago? They are also tottering. We have to take this into account. As long as we live in this international world, unless we get ourselves isolated from the world system, we have to take into account what is happening in the other parts of the world and also take preventive measures so that we may not get into this inflationary trend again.

That is why we have to take all necessary measures possible for the purpose of containing inflation and that could only be managed by two ways: One, managing the demand and supply position. And that can be done only by increasing production and making more goods available. This cannot happen overnight by a miracle, an increase beyond a certain level.

We have to manage the monetary situation so much so that there is some sort of matching between the two and prices do not go up. It is from that point of view that we took this step in 1974 and on that basis we had achieved some results.

As Mr. Mavalankar pointed out, it was a package. Out of that package we have given up only as far as the additional wages were concerned. We were impounding that also but that has been given up. If a person got higher wage, that also used to be impounded. Now that has been given up. That has been returned now. But as far as the other scheme is concerned, regarding the better section of the people, they had to contribute on that some 4 per cent between income of Rs. 15,000 and 25,000, 6 per cent between income of Rs. 25,000 and 70,000 and 8 per cent over income of over Rs. 70,000. Now, in the Finance Bill we have kept it for Rs. 15,000 to Rs. 25,000 at 4 per cent. For Rs. 25,000 to Rs. 70,000, instead of 6 per cent, they have to deposit 8 per cent. Over Rs. 70,000 it is 12 per cent.

[Shri C. Subramaniam]

Therefore, it is not as if we have given up the package. We are keeping the package, even though as far as one element is concerned, that is the impounding of the additional wages, that has been given up and we are repaying them.

Questions were raised: Are there any accounts which are being properly maintained? This is a relevant question. If you go on impounding the money and nobody knows what is the amount due to each person it will not be proper. Doubts were also expressed as to where this money has gone. How has it been utilised? All these questions were raised. It is not as if there are no accounts. I would like to give some figures. On the side of additional wages impounded the total deposit with the regional provident fund commissioners, private sector and public sector undertakings was Rs 40.88 crores, with the local authorities Rs 3.14 crores, government servants (Central) Rs 0.3 crores and State employees Rs 1.28 crores.

As far as dearness allowance account, for which this Bill has been brought, the provident fund commissioners account shows Rs. 392 crores, local authorities Rs 50.32 crores, Central government servants account Rs 312.8 crores and the State Government employees account Rs 127.93 crores. The total of both comes to Rs. 929 crores.

The scheme is that it should be frozen with the Reserve Bank and it should not be made available for the purpose of being utilised either by the Government or by anybody else. As a matter of fact I made a proposal in the previous year's budget that out of this amount I would borrow Rs 100 crores from the Reserve Bank and as the hon. Members are aware we did not take that even as a loan from the Reserve Bank. Therefore, to think that this money is somewhere in the air and somebody is likely to take it away is only imaginary. Therefore, nobody need fear that this

money has been eaten away by somebody and it would not be available for distribution.

Sir, I would also like to test with regard to the accounts whether this accounting has been kept properly by looking into what we are now doing with regard to the return of the amounts which had been impounded on account of wages. For that I have got the figures and I find that taking into account what is due almost all the amount has been distributed—even in West Bengal it has been distributed. In the same way I have looked into this to find out taking into account the amount impounded and what was returnable during this year whether these two figures correspond. Only very slight variation of 2 per cent is there. Perhaps, some people have not drawn but on the whole this amount has been returned. Very soon we are going to return Rs. 280 crores out of the dearness allowance account which is returnable from July 1976. Then also we will have to test to find whether Rs. 280 crores are being returned and how it is being returned. Whether there are any complaints. As far as additional wages are concerned we have not received any complaints that the money which had been impounded has not been returned to them. On the hand we have quite an effective watch with regard to this. No doubt whatever might be the Law, there are offenders. Even with regard to provident fund after having deducted from the labourers there are very charitable employers who utilise this instead of depositing with the provident fund commissioner. Then we take action against them.

In the same way I find quite a few persons have—after having deducted the amount—not paid the amount. Fortunately, the number is 45. Not only prosecutions have been launched against these 45 employers who have not deposited the amount and proceedings are being taken to send them to

jail but also steps have been taken to recover the money by attaching their properties. Therefore, we are taking effective action as far as this is concerned.

What has been the effect of this whole package being worked out? We have impounded 50 per cent of additional DA and the additional wages also. After this saving—these are not taxes taken away by the government—what is the purchasing power of the net wage packet they are taking home today and what was it in 1974? I have made some analysis. In the case of Class III employees—lower division clerks, etc.—the increase in the purchasing power of their net pay packet today is 14 per cent as compared to what it was in 1974. In the case of Class IV employees, the purchasing power now is 15 per cent more. Do you want this to happen or go on paying more and more DA, with the real purchasing power going down and down? This is the question which hon. members will have to answer. If we are all satisfied with seeing more money, the only thing possible is to establish a few more Nasik presses so that everybody may take instead of Rs. 100, Rs. 500. But what will be the effect on the economy? This is what we have to consider. Mr. Bhatnagar wondered how the working class has been benefited. The working class has been benefited by their purchasing power going up by 14 per cent and 15 per cent at the lower level after saving so much. In addition, this amount is assured of 12½ per cent interest, whereas the maximum rate of interest which one would get if it is deposited in the bank is only 10 per cent. If you enter into speculative transactions with private money-lenders, there are the risks of not getting it back. But the sure way of investing it and getting it back is to deposit it with the banks which give only 10 per cent interest. Therefore, nobody can say that we are taking an anti-labour attitude. Saving is always good. How can a nation make pro-

gress otherwise? Hon. members say that we should not go out for foreign borrowings, etc. So, internal saving should increase. If our attitude is that we should go on consuming whatever we earn and there is no question of saving, certainly without saving there can be no investment. Without investment there can be no growth. Maybe the circle of workers who are already inside the compartment may be well off, but there cannot be any enlargement of employment. Unfortunately most of us think that if only we could increase the wages of the few million people a little more, we are increasing socialism. On the other hand, it is those outside the circle, particularly in the rural areas who do not have even one square meal a day about whom we should be concerned. Mr. Mavalankar pleaded that they should have one square meal not with reference to the people inside the circle but with reference to the rural poor and some in the urban areas also who had migrated from the rural areas. That is the real problem. But our clients are different completely. They are the industrial labourers, government employees, LIC employees, and bank people who get the highest level of wages. We are all concerned with more DA, more wages, more over-time for them. This is how we look at it. I would plead with hon. members not to look at it from this sectoral point of view of industrial labour alone, but from the national point of view, from the point of view of the 80 per cent of the people who are in the rural areas, particularly 70 per cent of the farmers who are engaged in agriculture. If you take that into account today, the urban population has gained at the expense of the agricultural community, because the prices have gone down so much. I think, Mr. Naik was giving figures with regard to the prices agricultural products going down. Therefore, we will have to keep this in mind. For the benefit of the entire health of the economy, I would respectfully submit that sectoral view should not be taken.

[Shri C. Subramaniam]

A charge was made by Mr. Mavalankar to whom I attach great respect, I do not know why, perhaps, because of his father who used to preside over the sittings of this House. Whatever it is, he says that we have taken a contradictory stand in containing inflation. It is not just on one time operation that because the inflation has been contained and, therefore, you go to sleep and everything will go on smoothly. It is not so. We have to have a continuous watch over the situation. And figures have been made available that it has improved by 2.5 per cent. I want to give an assurance to this House that we are not satisfied with what we have already achieved on the price front. On the other hand, we have got to be much more watchful and periodically, we will have to review the situation and take remedial measures with regard to price structure, production policy, and so on. All these things will have to be continuously reviewed and action will have to be initiated.

I think, these are the main points that have been made. But as far as this Bill is concerned, there is one slight difference. Whereas other thousand crores were frozen with the Reserve Bank to be drawn out when ever required to be repaid to the people, in this case, we have taken credit for the purpose of investment. It is clear. I would like to appeal to Members like Mr. Indrajit Gupta, Mr. Bhattacharyya, and Mr. Banerjee particularly who is always the champion of the industrial labour, that we have now thousand crores in deposit. It is always easy to distribute it because the accounts are there and we can distribute it. Naturally, once it is distributed, this will go waste in some sort of consumption. I come from an industrial complex. Coimbatore, and I know that after pay day if you go and see a cinema house, you will find the workers in the first class. He will say: "Let me go to the first class at least on the first day."

SHRI S. M. BANERJEE: He gets psychological satisfaction.

SHRI C. SUBRAMANIAM: He does not get satisfaction. When we are paying, only then he gets psychological satisfaction. Therefore, being in the cinema hall, he does not get psychological satisfaction.

SHRI DINEN BHATTACHARYYA  
Is it a crime on the part of the workers to go to a cinema?

SHRI C. SUBRAMANIAM: Unfortunately, I am not in a position to cross swords today. Perhaps when I get better, we will have such duel.

What I am posing is this. How should we utilise this thousand crores which are available?? Should we fritter it away or should we invest it in the industry? We have today the private sector; we have got the public sector; we have got the joint sector and we have got the cooperative sector. Why not a workers' sector? This thousand crores, if properly invested, would be a package and not just a basket, not just one scheme. We can evolve 3 or 4 schemes, so that the workers become also the real owners of the industry. And this would revolutionize the basis. This will meet all the charges that these big-business wallahs are getting all the licences and that they are making profits. Instead of those people, we can have 10 million people participating in industrial development, i.e. in the ownership of industries. And as far as I am concerned, I will give this assurance to the labour as such, that we will see to it that the most profitable sections of the industry are allocated to them. To-day we are asking foreign companies to disinvest and are trying to have Indian investment there. We can consider whether this new Indian investment should be that of the workers, i.e. by making the workers invest there, instead of allowing the big business men walking away with it. You should be prepared to consider these

constructive suggestions and also to educate the labour on this. I am prepared to sit with you. If there is any snag in it, we can look into it. I feel that the workers' participation should not be only at the floor level, i.e. giving advice etc. It should also be on the basis of participating in the ownership; it should be on a broad level. What some hon. Members want to achieve by revolution or other methods, can be achieved by this process of evolution. Through millions of workers participating in the investment process in the industry, we can bring about a complete change in the situation. I am committed to this as much as I am committed to the Integrated Rural Development Programme. This is how we can bring about a new situation in regard to our economy. Don't look at this measure as something to penalize the labour. On the other hand, it can be used for strengthening the labour movement and to make them participate in the ownership of the industry. This will strengthen the economy of our country by creating more and more investment, by bringing into this not more and more workers and thus enabling them to get more and more benefit out of it. Please look at it from this point of view. If you are prepared to discuss this scheme—I am sure some of you at least, would be interested in looking into this constructive suggestion—I am prepared to sit with you and try to evolve schemes. We have made some preliminary exercises. We can evolve more of such exercises. It is not that there cannot be any objection to this. Those objections have been very well expressed. I have taken note of them. But in the interests of the nation as a whole, I would request even those who have opposed the bill, to accept the validity of this suggestion and to accept the bill.

SHRI P. M. MEHTA: Why does not the Government consider the alternative proposal, viz. to enhance the rate of provident fund contributions,

so that they can get more of savings, and so that this one-sided sacrifices may not be there?

SHRI DINEN BHATTACHARYYA: an open mind. I am prepared to consider any suggestion.

SHRI DINEN BHATTACHARYYA: There are workers who have been laid off; and they are not getting full remuneration. Suppose they get half-a-month's wages. If 50 per cent of their DA is impounded even from out of that amount, what will be their fate? Why is not the Government making some provision in regard to this? These are important things which you could understand. There are lakhs of people who have been laid-off.

(Interruptions)

SHRI S. M. BANERJEE: They are not getting anything.

MR. DEPUTY-SPEAKER: These are details.

(Interruptions)

SHRI INDRAJIT GUPTA: I do not know whether that point has occurred to them. They can think over it. According to the Labour Ministry, since the emergency, over five lakh workers have been laid-off. During the period of lay-off, they get only 50 per cent of their wages and D.A. During the period of lay-off, when they are already getting only half of the wages and D.A. is half of that to be impounded under the scheme. There should be some limit to the wonderful vision of sacrifices for the nation. Workers are not the only part of the nation. What about the other people of the nation? What about Birlas, Kanodia, Jalans and Bangurs?

SHRI C. SUBRAMANIAM: I consider them the major part of the nation. I shall certainly look into it.

MR. DEPUTY-SPEAKER: I shall put the amendment of Mr. Banerjee to the vote of the House for circulation.



SHRI S. M. BANERJEE: I want that this be circulated.

MR. DEPUTY-SPEAKER: The question is:

"That the Bill be circulated for the purpose of eliciting opinion thereon by the 16th August, 1976." (1)

The Lok Sabha divided.

15.55 hrs.

# AYES

## Division No. 7

Banerjee, Shri S. M.  
Bhattacharyya, Shri Dinen  
Bhattacharyya, Shri Jagadish  
Bhattacharyya, Shri S. P.  
Chandrappan, Shri C. K.  
Chatterjee, Shri Somnath  
Chowhan, Shri Bharat Singh  
Das, Shri R. F.  
Deo, Shri P. K.  
Dashpande, Shrimati Roza  
Gupta, Shri Indrajit  
Halder, Shri Krishna Chandra  
Joarder, Shri Dinesh  
Krishnan, Shrimati Parvathi  
Mavalankar, Shri P. G.  
Mehta, Shri P. M.  
Mukherjee, Shri Samar  
Reddy, Shri B. N.  
Reddy, Shri Y. Eswara  
Saha, Shri Ajit Kumar  
Sambhali, Shri Ishaque  
Sen, Dr. Ranen

# NOES

Austin, Dr. Henry  
Awdhesh Chandra Singh, Shri  
Azad, Shri Bhagwat Jai  
Basumatari, Shri D  
Bhargava, Shri Basheshwar Nath  
Bhatia, Shri Raghubandan Lal  
Bhattacharyya, Shri Chapalendu  
Bist, Shri Narendra Singh  
Brahmanandji, Shri Swami  
Chaudhary, Shri Nitiraj Singh

Chavan, Shrimati Premalabai  
Chhotey Lal, Shri  
Daga, Shri M. C.  
Dalbir Singh, Shri  
Darbara Singh, Shri  
Deo, Shri S. N. Singh  
Desai, Shri D. D.  
Dhamankar, Shri  
Dhusia, Shri Anant Prasad  
Dixit, Shri G. C.  
Dixit, Shri Jagdish Chandra  
Dube, Shri J. P.  
Gautam, Shri C. D.  
Gill, Shri Mohinder Singh  
Hansda, Shri Subodh  
Jamalurrahman, Shri Md.  
Jitendra Prasad, Shri  
Kader, Shri S. A.  
Kailas, Dr.  
Kakodkar, Shri Purushottam  
Kaul, Shrimati Sheila  
Kulkarni, Shri Raja  
Kureel, Shri B. N.  
Lakkappa, Shri K.  
Lakshminarayanan, Shri M. R.  
Laskar, Shri Nihar  
Lutfai Haque, Shri  
Mahajan, Shri Vikram  
Maharaj Singh, Shri  
Mandal, Shri Jagdish Narain  
Mandal, Shri Yamuna Prasad  
Manhar, Shri Bhagatram  
Mirdha, Shri Nathu Ram  
Mishra, Shri Bibhuti  
Mishra, Shri Jagannath  
Modi, Shri Shrikishan  
Mohammad Tahir, Shri  
Munsi, Shri Priya Ranjan Das.  
Murmu, Shri Yogesh Chandra  
Murthy, Shri B. S.  
Naik, Shri B. V.  
Negi, Shri Pratap Singh  
Oraon, Shri Tuna

Painuli, Shri Paripoornanand  
 Palodkar, Shri Manikrao  
 Pandey, Shri Krishna Chandra  
 Pandey, Shri Narsingh Narain  
 Pandey, Shri Sudhakar  
 Parashar, Prof. Narain Chand  
 Paswan, Shri Ram Bhagat  
 Patel, Shri Natwarlal  
 Patel, Shri R. R.  
 Patil, Shri Krishnarao  
 Patnaik, Shri Banamali  
 Peje, Shri S. L.  
 Raghu Ramaiah, Shri K.

Rai, Shri S. K.  
 Rai, Shrimati Sabodrabai  
 Ram Singh Bhai, Shri  
 Ram Surat Prasad, Shri  
 Rao, Shri Jagannath  
 Rao, Shri M. S. Sanjeevi  
 Rao, Shri Nageswara  
 Rao, Shri P. Ankineedu Prasada  
 Rao, Shri Pattabhi Rama  
 Rathia, Shri Umed Singh  
 Reddy, Shri K. Ramakrishna  
 Reddy, Shri M. Ram Gopal  
 Richhariya, Dr. Govind Das  
 Rohatgi, Shrimati Sushila  
 Roy, Shri Bishwanath  
 Saini, Shri Mulki Raj  
 Samanta, Shri S. C.  
 Sangliana, Shri  
 Sankata Prasad, Dr  
 Sarkar, Shri Sakti Kumar  
 Savant, Shri Shankerrao  
 Shailani, Shri Chandra  
 Shambhu Nath, Shri  
 Shankaranand, Shri B.  
 Shukla, Shri B. R.

Siddheshwar Prasad, Prof.  
 Sinha, Shri Dharam Bir  
 Sinha, Shri R. K.  
 Sokhi, Sardar Swaran Singh  
 Stephen, Shri C. M.  
 Subramaniam, Shri C.  
 Surendra Pal Singh, Shri  
 Suryanarayana, Shri K.  
 Tiwary, Shri D. N.  
 Tula Ram, Shri  
 Verma, Shri Balgovind  
 Verma, Shri Sukhdeo Prasad  
 Vidyalankar, Shri Amarnath  
 Virbhadra Singh, Shri

MR. DEPUTY-SPEAKER: The result\* of the division is: Ayes 22, noes 104.

*The motion was negatived.*

MR. DEPUTY SPEAKER: The question is:

"That the Bill to amend the Additional Emoluments (Compulsory Deposit) Act, 1974, be taken into consideration."

*The motion was adopted.*

MR. DEPUTY SPEAKER: We take up clause-by-clause consideration of the Bill.

Clause 2—(Amendment of section 6)

SHRI DINEN BHATTACHARYYA:

I beg to move:—

Page 1, line 7,—

for "three years" substitute—

"two years and one month".

(4)

This is a very simple amendment. In clause 2, it is stated:

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\*The following Members also recorded their votes: Ayes: Shri Mohammad Ismail;

(Shri Dinen Bhattacharyya)

"In section 6 of the Additional Emoluments (Compulsory Deposit) Act, 1974, in clause (b) of sub-section (1) for the words "two years", the words "three years" shall be substituted."

I have suggested that let it be for "two years and one month".

MR. DEPUTY SPEAKER: You have made your point.

SHRI C. SUBRAMANIAM: For "one month", I would not have troubled the House. I don't accept the amendment.

MR. DEPUTY SPEAKER: Now, I put Amendment No. 4 moved by Shri Dinen Bhattacharyya to Clause 2 to the vote of the House.

Amendment No. 4 was put and negatived.

MR. DEPUTY SPEAKER: The question is:

"That Clause 2 stand part of the Bill."

The motion was adopted

Clause 2 was added to the Bill.

Clause 3—(Amendment of section 9)

SHRI DINEN BHATTACHARYYA: I beg to move:—

Page 2, line 26,—

for "five" substitute "two". (5)

MR. DEPUTY SPEAKER: I put Amendment No. 5 moved by Shri Dinen Bhattacharyya to Clause 3 to the vote of the House.

Amendment No. 5 was put and negatived.

MR. DEPUTY SPEAKER: The question is:

"That Clause 3 stand part of the Bill."

The motion was adopted.

Clause 3 was added to the Bill.

Clause 1, the Enacting Formula and the Title were added to the Bill.

16 hrs.

SHRI C. SUBRAMANIAM: I beg to move:—

"That the Bill be passed."

MR. DEPUTY SPEAKER: The question is:

"That the Bill be passed."

The Lok Sabha divided:

Division No. 8) AYES (16.01 hrs.

Division No. 8]

Austin, Dr. Henry

Awadhesh Chandra Singh, Shri

Azad, Shri Bhagwat Jha

Basumatari, Shri D.

Bhargava, Shri Basheshwar Nath

Bhatia, Shri Raghunandan Lal

Bhattacharyya, Shri Chhapalendu

Bis, Shri Narendra Singh

Brahmanandji, Shri Swami

Chaudhary, Shri Nitiraj Singh

Chavan, Shrimati Premalabai

Chhotey Lal, Shri

Daga, Shri M. C.

Dalbir Singh, Shri

Darbara Singh, Shri

Das, Shri Dharnidhar

Desai, Shri D. D.

Dhamankar, Shri

Dhusia, Shri Anant Prasad

Dixit, Shri G. C.

Dixit, Shri Jagdish Chandra

Dube, Shri J. P.

Gandhi, Shrimati Indira

Gautam, Shri C. D.

Gill, Shri Mohinder Singh

Hanada, Shri Subodh

Jamilurrahman, Shri Md.  
Jitendra Prasad, Shri  
Kalidas, Dr.  
Kakodkar, Shri Purushottam  
Kamla Kumari, Kumari  
Kaul, Shrimati Sheila  
Kinder Lal, Shri  
Kisku, Shri A. K.  
Kulkarni, Shri Raja  
Kureel, Shri B. N.  
Lakkappa, Shri K.  
Lakshminarayanan, Shri M. R.  
Laskar, Shri Nihar  
Mahajan, Shri Vikram  
Mahajan, Shri Y. S.  
Maharaj Singh, Shri  
Malaviya, Shri K. D.  
Mandal, Shri Jagdish Narain  
Manhar, Shri Bhagatram  
Mirdha, Shri Nathu Ram  
Mishra, Shri Jagannath  
Mohammad Tahir, Shri  
Munshi, Shri Priya Ranjan Das  
Murthy, Shri B. S.  
Naik, Shri B. V.  
Negi, Shri Pratap Singh  
Oraon, Shri Tuna  
Painu'i, Shri Paripoornanand  
Pandey, Shri Krishna Chandra  
Pandey, Shri Narsingh Narain  
Pandey, Shri Sudhakar  
Paokai Haokip, Shri  
Parashar, Prof. Narain Chand  
Paswan, Shri Ram Bhagat  
Patel, Shri Natwarlal  
Patel, Shri R. R.  
Patil, Shri Krishnarao  
Patnaik, Shri Banamali  
Peje, Shri S. L.  
Raghu Ramaiah, Shri K.  
Rai, Shri S. K.  
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Rai, Shrimati Sahodrabai  
Ram Singh Bhai, Shri  
Ram Surat Prasad, Shri  
Rao, Shri Jagannath  
Rao, Shri M. S. Sanjeevi  
Rao, Shri Nageswara  
Rao, Shri P. Ankineedu Prasada  
Rao, Shri Pattabhi Rama  
Rathia, Shri Umed Singh  
Reddy, Shri K. Ramakrishna  
Reddy, Shri M. Ram Gopal  
Richhariya, Dr. Govind Das  
Rohatgi, Shrimati Sushila  
Roy, Shri Bishwanath  
Saini, Shri Mulki Raj  
Samanta, Shri S. C.  
Sangliana, Shri  
Sarkar, Shri Sakti Kumar  
Savitri Shyam, Shrimati  
Shailani, Shri Chandra  
Shambhu Nath, Shri  
Shankar, Dev, Shri  
Shankaranand, Shri B.  
Shenoy, Shri P. R.  
Shukla, Shri B. R.  
Siddheshwar Prasad, Prof.  
Sinha, Shri Dharam Bir  
Sinha, Shri R. K.  
Sokhi, Sardar Swaran Singh  
Stephen, Shri C. M.  
Subramaniam, Shri C.  
Surendra Pal Singh, Shri  
Suryanarayana, Shri K.  
Tiwary, Shri D. N.  
Tula Ram, Shri  
Verma, Shri Balgovind  
Verma, Shri Sukhdeo Prasad  
Vidyalankar, Shri Amarnath  
Yadav, Shri Chandrajit

## NOES

Banerjee, Shri S. M.  
 Bhattacharyya, Shri Dinen  
 Bhattacharyya, Shri Jagadish  
 Bhattacharyya, Shri S. P.  
 Chandrappan, Shri C. K.  
 Chatterjee, Shri Somnath  
 Chowhan, Shri Bharat Singh  
 Das, Shri R. P.  
 Deshpande, Shrimati Roza  
 Gupta, Shri Indrajit  
 Halder, Shri Krishna Chandra  
 Joarder, Shri Dinesh  
 Krishnan, Shrimati Parvathi  
 Mehta, Shri P. M.  
 Mohammad Ismail, Shri  
 Mukherjee, Shri Samar  
 \*Pandey, Shri Tarkeshwar  
 Reddy, Shri B. N.  
 Reddy, Shri Y. Eswara  
 Saha, Shri Ajit Kumar  
 Sambhali, Shri Ishaque  
 Sen, Dr. Ranen

MR. DEPUTY-SPEAKER: The result of the division is. Ayes 106; Noes 22.

*The motion was adopted.*

16.02 hrs.

LIFE INSURANCE CORPORATION  
 (MODIFICATION OF SETTLEMENT)  
 BILL

MR. DEPUTY-SPEAKER: Now, we take up the Life Insurance Corporation (Modification of Settlement) Bill.

Mr. C. Subramaniam.

THE MINISTER OF FINANCE (SHRI C. SUBRAMANIAM): Mr. Deputy-Speaker, Sir, the Life Insurance Corporation (Modification of Settlement) Bill was introduced in the House on the first of last month. I beg to move:

"That the Bill to provide for the modification of the settlement arrived at between the Life Insurance Corporation of India and their workmen, be taken into consideration."

Hon. Members are aware that the Payment of Bonus Act does not apply to LIC, GIC and the nationalised Banks. When the Bonus Act was recently amended, Government simultaneously took certain decisions in respect of ex-gratia payment to be made to institutions outside the scope of the Bonus Act. The employees of these institutions can now be paid ex-gratia amounts upto ten per cent of their salary, this payment being admissible only to those drawing a maximum salary of Rs. 1,600 per month. The maximum amount of payment is also restricted to that calculated for the salary of Rs. 750 per month. In other words, the maximum payment is limited to Rs. 900

However, in the case of LIC, under subsisting agreements between the management and Class III and Class IV employees, the amount payable by the Corporation to these categories of employees is at the rate of 15 per cent of their annual salary (basic pay, special pay and dearness allowance)

\*Wrongly voted for NOES.

†The following Members also recorded their votes for AYES:

Sarvashri Hari Singh, Lutfal Hague, S. N. Singh Deo, Bibhuti Mishra, Shankarrao Savant, Manikrao Palodkar, Tarkeshwar Pandey, Shrimati Maya Ray, and Dr. Sankata Prasad.

without any maximum limit. Hon. Members would be interested to know that, on this basis, a Superintendent drawing salary at the maximum scale would be entitled to as much as nearly Rs. 4,000 as bonus whereas in all other sectors, the maximum could be only Rs. 900.

As these existing agreements are enforceable till 31-3-1977, and can be set aside only by legislative action, the Bill was introduced to enable the Government to apply these decisions to LIC employees. The justification for the Bill is:

- (i) Having applied the provisions of the Payment of Bonus (Amendment) Act, 1976, and of the Government decision restricting *ex-gratia* payment to 10 per cent (and that too on a maximum deemed salary of Rs. 750 per month) to all other employees it would be difficult to make an exception in the case of the LIC employees who are relatively in receipt of much higher emoluments.
- (ii) When the Payment of Bonus Act has already set aside agreements which contemplate payment of bonus higher than that provided by the amended law, it is but logical that in the case of those who are now to be paid *ex-gratia* payments in lieu of bonus similar settlements should be set aside.
- (iii) The interest of the class of insured persons also has to be protected, more so, when it has not been found possible for a number of years now either to increase bonus or reduce premia rates. The renewal expenses of the Life Insurance Corporation should normally be 15 per cent of renewal premium income according to Rule 17D of the Insurance Rules (read with Section 40B of the Life Insurance Act, 1938). The accounts of the LIC for the financial

year 1974-75 disclosed that its renewal expenses ratio was 18.97 per cent. A careful control has therefore to be exercised over LIC expenses. In this back-drop, LIC can ill-afford to make *ex-gratia* payments at the high levels visualised in these settlements.

At the time of introduction of the Bill, some hon. Members took exception to the introduction of a Bill to annul a settlement. This is not something new, since the amendment to the Bonus Act had provisions to annul settlements which caused distortions. Again, Government have taken initiative in a number of cases to re-open settlements to provide additional benefits to workers. Hon. Members would recall that this was done in the Life Insurance Corporation of India itself when the payment of *ex-gratia* bonus was reopened during the currency of the settlement in the year 1972 and the management decided, with the approval of the Government to pay bonus to Class III and Class IV employees at the rate of 10 per cent of basic pay, special pay and dearness allowance with effect from 1971, even though under the settlement which was current from 1-4-1969 to 31-3-1973 bonus had to be paid according to the award of National Industrial Tribunal at the rate of 1½ months' basic pay. Likewise, at the intervention of the Labour Ministry, revision of wages in the Cement Industry was agreed to by the management effective from 15-9-1973 overriding an agreement which was in force till 31st March, 1977. I can cite several other such instances. Cases of reopening settlements are therefore, not unusual. The larger interests of workers as a whole and the health of the national economy has to override the limited interests of certain selected categories. Hon. Members will, I hope, consider this Bill in this perspective and will extend their full cooperation to the passing of this Bill.

I would also like to inform the House that the Management would have consultations with the representatives of the employees for the pur-

[Shri C. Subramaniam]

pose of fixing the actual rate and how to make further adjustments, if necessary. But I am sure, this House will not take a partisan attitude with reference to the LIC workers, who are, what I call in the high-wage island.

MR. DEPUTY-SPEAKER: Motion moved:

"That the Bill to provide for the modification of the settlement arrived at between the Life Insurance Corporation of India and their workmen, be taken into consideration".

Mr. Banerjee—You move your amendment?

SHRI S. M. BANERJEE (Kanpur): Yes, Sir. I beg to move:

"That the Bill be circulated for the purpose of eliciting opinion thereon by the 16th August, 1976."  
(1)

MR. DEPUTY-SPEAKER: Mr. Ramavatar Shastri and Shri Madhukar are not here.

Mr. Dinan Bhattacharyya—you move your amendment?

SHRI DINAN BHATTACHARYYA: (Serampore): Yes, Sir. I beg to move:

"That the Bill to provide for the modification of the settlement arrived at between the Life Insurance Corporation of India and their workmen, be referred to a Select Committee consisting of 9 members, namely:—Shri S. M. Banerjee, Shri Tridib Chaudhari, Shri Prasannbhai Mehta, Shri Samar Mukherjee, Shri Era Sezhiyan, Shri Ramavatar Shastri, Shri Digvijaya Narain Singh, Shri C. Subramaniam; and Shri Dinan Bhattacharyya with instructions to report by the last day of the first week of the next session."  
(12).

MR. DEPUTY-SPEAKER: Now, Mr. Sreekant Nair is not there. So, now, these amendments are before the House Shri Somnath Chatterjee.

SHRI SOMNATH CHATTERJEE (Burdwan): The hon. Minister said that while dealing with the Bill we should not take up a partisan attitude. When the Government is taking a partisan attitude in favour of the affluent section of the people, we have to take a partisan attitude in favour of the weaker sections of the people of this country.

Like the last Bill which the House has now passed, this also is a pernicious and atrocious measure and is another glaring instance of the calculated anti-working class policy adopted by this government and this Bill is being rushed through this House by the use of a sledge-hammer majority to bulldoze the hard-earned rights of thousands of LIC employees.

This anti-people measure is not only going to deprive the LIC employees of their legitimate as well as legal rights but it is also going to tarnish the image and record of this august House and will also make this House a party to the deliberate nullification of certain rights which have accrued to the LIC employees under another valid piece of legislation, namely, the Industrial Disputes Act which sanctioned this agreement and which gives it sustenance in law.

Under the Proclamation of Emergency various emergency powers have been taken by this Government ostensibly for the purpose of using them against the so-called anti-national forces in this country but it seems that these emergency powers have been utilised as a sword by this government to strike down the interests of the working class and to use them against the legitimate rights and interests of the working class in this country.

I am sure the sanction behind this immoral legislative measure is not the will of the people to be expressed and ascertained by a free voting according to the conscience of my hon. friends opposite but by the whip of Mr. Raghu Ramalaiah under the exercise or threat



of exercise of the draconian powers like MISA and DIR and what not, against those who might dare to oppose it outside. This is the only sanction behind this piece of legislation.

This is a Bill which clearly shows the antipathy of this Government towards the interests and the legitimate rights of the working class whose rights are being denuded every day and day by day, while this Government is making concession after concession—see the recent ones in the rates of income-tax and wealth-tax—for the benefit of the affluent sections of the society of this country.

This Bill further shows a complete antipathy of this Government towards the effect and operation of the existing laws in this country and the rights derived by the people under the existing laws which are also inadequate for the working class of this country.

This is another example of the supreme contempt which this Government is showing towards the principles of collective bargaining in respect of the demands of the industrial workers which is being recognized the world over. That is now being treated with the contempt it does not deserve.

When the Bill was sought to be introduced in this House first on 31st March, there were protests from all sections of the House. I hope Mr. Kulkarni will not be a mute spectator today and I hope Mr. Stephen—I do not find him—and Mr. Sathe—they are not there—will express the views they did on the last occasion. Not only Members from all sides did not feel happy about that but even the hon. Speaker intervened and said, 'Why are you associating the House in passing this measure?' and made certain observations and because of that, the Government had the matter adjourned for the day and on the next day, a meeting was held in the room of Shri Pranab Kumar Mukherjee—Mr. Mukherjee and Mrs. Rohatgi were also there—and at the short time at our disposal we could place our view

points not fully but we requested them to take the workers into confidence, to sit with them and the employers' representatives across the table and discuss the matter, but that was not to be. They do not want to take the employees who are going to be affected into confidence and they want to make a short-shrift of a valid agreement by show of arrogance. The spirit of accommodation which one would expect from an ideal employer, if at all there be, and the sense of co-operation, so far as this Government is concerned, have become the victims of the emergency. They are not willing even to show an ordinary attitude of fairness and fairplay towards the employees of this Corporation.

We should recapitulate very shortly the implication of the Bill which seeks to abrogate it retrospectively. This is important—retrospective operation is being given to nullify the provision of a comprehensive agreement. Bonus was being received by the employees of the Insurance Companies in this country long before the nationalisation of the life insurance business. As a matter of fact, for the last forty years the employees have been receiving bonus without any interruption and after the LIC came into existence, agreements have been entered into from time to time, the last one being the agreement which is now sought to be partially abrogated.

The important thing to notice and to remember is that this bipartite settlement does not deal with bonus only. It covered various aspects of the service conditions of the employees and it was entered into after prolonged negotiations, discussions, with the full knowledge of the Central Government and even with the active participation of the then Finance Minister Shri Chavan and the present Labour Minister, Shri Reddy. Nothing was done behind the back of the Government. As a matter of fact Shri Chavan and Shri Reddy had assisted in arriving at a settlement. It was in the nature of a package deal. Various terms of the agreement provided the

[Shri Somnath Chatterjee]

consideration for each other and it was a solemn agreement which was entered into openly, lawfully and with the approval of the Central Government which gave a statutory approval under the LIC Act for the purpose of its enforcement.

Please permit me to indicate the nature of the agreement that was entered into on the 24th January, 1974. It dealt with the questions of scales of pay, method of fixation of the scales, dearness allowance, house rent allowance, compensatory allowance, provident fund contributions, gratuity, bonus (one of the terms of the agreement), and then about gradation, option to the existing employees and also the period of settlement.

One of the clauses was very important, to which reference was made by Shri Kulkarni on the last occasion, viz., Clause 9 which provided that the Government in the third year and in the fourth year will make available Rs. 1 crore each year on account of the medical benefits, provident fund and leave travel concession, etc. It was left to the good offices of the Corporation which had given an undertaking in this agreement that they will take up this matter in the third and the fourth year and will take decision so that Rs. 1 crore provision for each year could be utilised for the purpose of giving this benefit. This was openly violated. The agreement on Clause 9 still subsists. The LIC has not taken a single step to implement it. Therefore, an important thing is that this is not merely a bonus agreement, various provisions relating to the conditions of service were agreed to in respect of carrying out the provision which was to be done by the LIC. One particular clause is now being sought to be deleted and mutilated. The truncated agreement is being thrust upon the employees. This unique achievement this Government is seeking to have. Kindly remember that this Bill does not seek to prevent something happening in the future. It seeks to take away the

change and alter with retrospective effect the existing agreement to the detriment of one of the parties without their knowledge, without their consent, without any discussion with them, without even taking their views in the matter, as if they do not exist so far as this Government is concerned.

This is another example, another infamous attempt, to rewrite an already existing operative agreement to which Government has given its expressed approval only 2½ years back. If this attempt succeeds I shudder to think how far this Government can and will go to take away the accrued, valued, minimum rights of the working class. This agreement was approved by the Central Government. Till today that agreement is binding and it is in force. In spite of that agreement, which is binding on the LIC because of the provisions of the Industrial Disputes Act, which make it statutorily binding on the LIC, another law is sought to be passed today to nullify a part of it. That is to say, a part of that agreement is being nullified which agreement has the sanctity of law which is not being challenged. Does it not show a supreme indifference on the part of the Government? They throw away any law which does not suit them, in their crusade against the working class.

This agreement is operative since January 1974. Under this they worked out the amounts and bonus was paid. Bonus was to be paid now along with salary of April 1976 and in April 1976 this Bill was not there. There was no law which prevented LIC from paying this money.

In gross violation of this agreement which is binding on the Government just now, at 4.25 PM on 18th of May, deliberate and wanton violation of this agreement is being sought to be given legislative shield by us. Why should there be such deliberate breach of an agreement which is lawful and binding on the LIC? Why should you do this, without any written legal authority or moral authority and

without the knowledge and consent of the employees, without taking them into confidence. Government has not only condoned this illegal breach of this agreement but they have attempted to provide a legislative stick to the LIC to beat the workers with. Is this not a travesty of justice and fair-play in this country? I will tell you why they are taking this inconsistent stand.

The All India Insurance Employees Association and some of the employees have gone to the Calcutta High Court and filed a writ proceedings saying that as long as this agreement is a legal and a valid agreement, the LIC is obliged to honour it. There is no right as far as LIC is concerned, to refuse to carry out this agreement. I have the fortune and privilege to appear for the employees association in that case before Calcutta High Court. In the affidavit in those proceedings which LIC had filed, they have taken this stand. They say, they are unable to pay, because the Central Government has issued a directive to them. They say that this Central Government directive is legal under the LIC Act and it is binding on LIC itself. They have produced a D O letter. I don't know whether Mr. Kulkarni knows it. This is dated 17th October, 1975. One Mr. D.K. Singh, Director, Ministry of Finance has written a D O letter to Chairman, LIC, requesting him not to make any further payment of bonus without getting the same cleared by the Government. When the Government had nothing to do with it in October 1975 or even, for that matter, in April 1976. This is the accepted position. Mr. Pranab Kumar Mukherjee said solemnly in this House that without the legislative authority or without this Bill the Central Government has no power to stop payment of this amount to L.I.C. workmen. LIC has no authority to stop payment to its employees. Today Mr. Subramaniam said the same thing as Mr. Mukherjee said earlier.

But, Sir, LIC is making solemn affidavits in the courts of law that because of the letter from the Central Government—which according to them is a statutory direction—they are unable to pay. If Central Government has given any direction this is nothing but high-handed interference in that matter of carrying out an agreement which is lawful and binding on all concerned. Before the court they are saying that under the existing law they have the authority to stop payment whereas here the Finance Minister comes and says that I have no authority and give me the authority. What stand has to be believed? The position is that the LIC justified their illegal stand on Central Government directive and Central Government says that LIC cannot refuse to make payment and, therefore, give me the authority under this law.

I am sure the hon. Members are aware that it is nobody's case—even not that of Mr. Subramaniam—that the employees do not deserve to receive this money. It is not that they have not carried out any part of this agreement or broken any part of this agreement or not rendered devoted and loyal service to the LIC during the period that is over. Nor is it the case of the Government or the LIC that LIC's financial condition does not permit payment of this money.

Sir, some facts have been stated but some facts have not been disclosed. During the last few years, especially the last year, LIC's business has gone up by record proportions. Whereas in 1957 the ordinary new business was of the order of Rs. 282 crores in 1967 it is Rs. 2197 crores. Likewise the number of policies from 7 lakhs became 20 lakhs. So far as the profit—what is known in the insurance parlance as valuation surplus—is concerned, in 1956-57 it was Rs. 30 crores whereas in 1975 it has become Rs. 181.50 crores. There is an increase of 600 per cent. The Central Government is also taking a greater and greater slice of it. From Rs. 1.5 crores now it is Rs. 9.07 crores from

[Shri Somnath Chatterjee]  
LIC's profit. Sir, worth Rs. 5,387 crores of new business has been transacted by LIC in 1975. Could you have done that with your Chairman, Managing Director and the officials of the Ministry without the active and loyal service of the LIC employees? This could not have been achieved. Because of the good service rendered to the LIC by their employees this is the wonderful return and response from these over-lords and masters in Delhi for these employees. This is the response they are getting for their dedicated service.

So far as the quantum of this amount is concerned, I had expected Mr. Subramaniam to come out with more particulars in supporting an indefensible case. In 1974, when the matter was being negotiated before the agreement of 24th January was entered into, LIC repeatedly said, we can provide Rs. 6 crores for all the different heads of demands, not for bonus. The break-up that was agreed upon was that the cost of increase of bonus would be Rs. 1.81 crores and the rest of the money, out of Rs. 6 crores, was to be taken up with regard to the other items of demands, which I do not have the time to read. Mr. Puri repeatedly said, "Rs. 6 crores are the maximum limit to which I can go." But that is not being exceeded. It is within Rs. 6 crores. It is not correct to say that the entire amount agreed upon will go on account of bonus.

DA is paid on the basis of the consumer price index. Although actually prices are going up, by some jugglery the consumer price index is going down, as a result of which, the LIC is saving Rs. 4.30 crores on account of DA alone. Because of the artificial decline in the consumer price index which is being manipulated, the LIC employees are going to lose DA to the extent of more than Rs. 4 crores. Under the infamous Bill which we just now passed, to which I had to be an unwilling party, the DA is being further reduced and impounded. You are making a bite on the bonus, which is called bonus

but which is nothing but a part of the wages of the employees. This was part of the service condition. In addition, 50 per cent of the increase in DA is being impounded and the employees are losing more than Rs. 4 crores on DA because of the manipulated consumer price index.

Whenever the judgments go in their favour, they pay respect to the Supreme Court. Let us know what is the attitude of this government towards this judgment on the bonus question where the Supreme Court said:

"It has been recognised that in industrial law, collective bargaining, union representation, conciliations, arbitrations, adjudications, appellate and other proceedings is a welcome development and an enlightened advance in industrial life."

But they are repudiating the principle of collective bargaining. They do not want union representation or conciliation or negotiation or adjudication. The Supreme Court has expressly said that so far as the concept of bonus is concerned, bonus is payable outside the ambit of the Payment of Bonus Act because there is customary bonus payable under custom which has acquired the force of law, bonus payable under the service conditions entered into between the employer and the employees not wholly covered by the Payment of Bonus Act, etc. Mr. Kulkarni knows about the recent judgment of the Supreme Court in the Mumbai Kamgar Sabha case, in which the Supreme Court has recognised some rights of the employees in this country. The very basis of that judgment is being sought to be taken away by the Bill that is before the House. Perhaps, this judgment is anathema of this Government. So far as the Statement of Objects and Reasons is concerned, in this it is said that in respect of non-competing public sector undertakings, there should be an ex-gratia payment alone. We do not know as to what is to be paid to

them. The Bill is conspicuously silent on this. These employees have not been taken into confidence as to what is the payment to be made to the employees in lieu of this. No indication has been given today by Mr. Subramaniam. He gave four or five justifications for this anti-labour and anti-people Bill. He has said that the Bonus Act has brought about changes in the payment of bonus so far as others are concerned and so, why should these people be in a better position? Because one wrong was done to somebody, it has to be perpetuated to others also,—that is not a logical argument. This fact has also not been brought before the House as to whether there was a package deal and a bipartite settlement covering all terms and conditions of service of those employees. We are kept in the dark about that. Certainly, we are opposing this. They have themselves fixed the *ex-gratia* amount and so they want that must be accepted. That is why, I say this is a deliberate and calculated attempt to scrap the solemn, legal and honest agreement. They think that they are the only arbiters of the fate of the people of this country and so, whatever they say must be the law, and either you accept it or you face the consequences.

It has been said that it is difficult to make exemption for one section of the people and the Bonus Act having set aside other agreements, they should also not get any better privileges. Sir, a new plea has been put forward today, namely, the interest of the insured people should be looked into. The expense ratio in LIC has gone down from 18 per cent to 15 per cent last year. That is the definite case of the employees. There has been reduction in the expense ratio and larger and larger profit as a result of new business. For this good service rendered by these people, this is the return they are getting. The hon. Minister only thought that some of these people might be getting Rs. 4000/- as bonus. But kindly take into consideration that this agreement expressly excludes payment of profit-sharing bonus.

This 50 per cent was fixed as part of the additional wages. It was nothing but additional wages to be paid along with the salary at the end of the year. It was agreed that this should be paid in April.

In view of this, I submit that this is a Bill which only those who want to avoid payment of bonus, can support. This is a Bill which has been conceived not in the interest of the people of this country. This is in continuation of the arrogant attitude on the part of this Government. On the one hand, they are speaking of inflation being contained, and on the other, we find that rights of the employees are being taken away. Their purchasing power is going down day by day and their carry-home pay is being reduced every day. This is not for the benefit of the people of this country. This is really doing injustice to the LIC employees. This is the fate of the people who do their best for the organisation they are working in and this is the return they are getting. You cannot expect people to make sacrifices for somebody else's satisfaction.

I oppose this Bill. I oppose every word of this Bill.

**SHRI RAJA KULKARNI (Bombay-North East):** This bill has come to-day, after its introduction a few days earlier. No doubt this bill and the explanation given by the Finance Minister have raised a number of questions. I was listening to our friend, Mr. Somnath Chatterjee. I would like to put the whole issue in a correct perspective.

It is true that the main issue behind this bill which has become a matter of dispute,—is more about the method and the manner with which it has been handled. The agreement has been modified unilaterally and this was resented when the bill was introduced on that day.

So far as the question of streamlining the bonus system in the industry, Services, public sector and private sector are concerned, there has been a

[Shri Raja Kulkarni]

general opinion in favour of streamlining, in the light of the new policy. But the Government has not studied the specific issue of LIC in a proper perspective; and has not appreciated the factors which exist in regard to the background relating to the bonus agreement in the LIC.

It has been stated by the Finance Minister that the Bonus Act itself has got an over-riding clause which gives power for making a unilateral modification of agreements. That is true; but that is in respect of all those agreements which are covered under the Bonus Act, and the industries which are covered under the Bonus Act. Suppose there is a company in the private sector which has entered into a package deal settlement of 20 per cent bonus. Now under the new Act, there is no doubt, a statutory intervention. However, the Act assures bonus as per the bonus formula of the Act itself.

16.44 hrs.

[SHRI P. PARTHASARTHI in the Chair]

It may happen that in accordance with the bonus formula, the bonus might come to 16 per cent or 18 per cent. Under such circumstances, i.e. under the Act, when the statutory bonus in any private sector undertaking is less than the contractual bonus the parties might come together and agree on some kind of an efficiency or productivity bonus, as supplementary to profit sharing, so that the employees do not suffer; and the total quantum, under the original agreement, is maintained. Statutory profit-sharing bonus, is there supplemented by productivity bonus. Similar situations can also exist, even in a public sector undertaking where contractual bonus is higher than the statutory bonus. But such benefit is not available to the LIC under the present Bill.

This is a very big difference. What is offered here is *ex-gratia*. There is no formula. What is proposed, that the LIC employees would be given like all other non-competing public sector undertakings employees. It is upto 10

per cent and on par with GIC or banks who have been paid from 7 per cent to 10 per cent. But in the GIC and banks, there are no package deal settlements covering bonus.

What is to be safeguarded is that employees do not suffer in the total monetary benefit entitled under contractual terms. This should have been the approach. When the *ex-gratia* directive was issued to all the public sector undertakings in October 1975, it was possible for the Government to tell the management of the LIC and unions to come together. Guidelines could have been given that in view of the Government's policy of streamlining the bonus system, they should either revise it and come to a new settlement on package deal or on a bonus based on productivity system.

We do not know why the Finance Ministry did not issue this advice to the LIC from October till today. As a result of this, a new settlement would have come into force. It was possible. Then there was no necessity for bringing this Bill forward. The main objective for streamlining it is that there should be no industry getting any preferential treatment. Well, that, of course, is not a disputable issue.

In most of the industries, besides streamlining the bonus system, there is an effort to streamline the D.A. One and uniform type of D.A. rate is being attempted in public sector. No body is against such system, whether it be a uniform rate of D.A. or payment of bonus or payment of fringe benefits in all the public sector undertakings. The question is what is the method and the manner adopted for this system? It is here I have got some observations. I do agree with the main objectives of the Bill for streamlining this system in all the public sector undertakings, including the LIC.

Although the Government did not issue the instructions to the LIC about it earlier, at least they could do it now and tell them that whatever commitment the LIC has made under the

agreement, let them unilaterally announce those commitments, implement them and create an atmosphere for a new type of bonus system. But that has not been done. This has created a sort of discontent among the employees.

I know that we have to approach the employees also, but, at the same time, I have faith in the Government that they will reconsider all the effects of this method and the manner which has been used in streamlining the bonus issue. I do agree with the basic objectives of the Bill. But, at the same time, I would request the Government to see that employees do not lose in their earnings.

There is one argument which is not very convincing. It is regarding the capacity to pay. This concept has got its own definition. I have got the figures about the productivity and the capacity to pay here. The statutory bonus formula is based on expressly stated concept of profits which is considered as capacity to pay. In LIC the business has gone up. The capacity to pay will be according to the statutory bonus formula and not according to any other concept as given by the Finance Minister. If the premium has not been reduced during the last so many years, it is not because the employees were getting a very high salary. High or low salary is a relative comparison to other industries, but does not give indication of high or low unit cost of production in the industry concerned.

The point is, what is the percentage of total wage bill to the total business or the earnings of the L.I.C. This percentage is more relevant than the salary of an individual employee in an individual concern to understand high or low labour cost in the industry.

I would only request the Government, if at all this Bill is to be passed, it should be passed only on the ground

that they want to streamline the bonus system. So far as the method and manner is concerned, I hope, they will take some steps later on and see that the employees do not suffer and that a new revised agreement comes up on the service conditions of the employees as early as possible and that all their commitments which still remain unfulfilled are fulfilled.

I would have liked this Bill to be delayed by a few days. But there was also the pressure from Mr. Somnath Chatterjee who has gone to Calcutta High Court against LIC for alleged offence of a breach of settlement ...

SHRI SOMNATH CHATTERJEE: Is this Bill to pre-empt the High Court judgment? Let the Government say that. We will know then.

SHRI RAJA KULKARNI: In any case, the Bill has come. I agree with the intention of the Bill.

With these words, I support the Bill.

SHRI S. M. BANERJEE (Kanpur): Mr. Chairman, Sir, I rise to oppose the Bill. It has been brought with *mala fide* and immoral intentions.

I was a party to this Agreement. On 24th January, 1974, this Agreement was signed by five all-India organisations, the All-India Insurance Employees Association, the All-India National Life Insurance Employees Federation—Mr. N. K. Bhat, the Member of the other House is the Chairman—the All-India Life Insurance Employees Federation, that is, my Federation and two other Federations. What were the terms of settlement? After two months of negotiations, it was decided that the total amount should be Rs. 6.5 crores. Mr. Puri who signed this Agreement who has been elevated to the post of the Governor, Reserve Bank of India, was the Chairman of the L.I.C. at that time. What was the period of settlement? I read from the Agreement:

"This settlement shall be effective from 1st April, 1973 and shall be for a period of four years, from 1st



[Shri S. M. Banerjee]

April, 1973 to 31st March, 1977. The terms of this settlement shall be subject to the approval of the Board of the Corporation and the Central Government. This settlement disposes of all the demands raised by the workmen for revision of terms and conditions of their service."

As my hon. friend, Shri Somnath Chatterjee, pointed out, the portion of bonus should be Rs. 1.80 crores. The rest of the Agreement was on the method and fixation in the new scales, dearness allowance, provident fund contribution, city compensatory allowance, house rent allowance and other things.

In that Agreement, it is written—I read from clause 8:

"No profit-sharing bonus shall be paid. However, the Corporation may, subject to such directions as the Central Government may issue from time to time grant any other kind of bonus to its Class III and IV employees.

"An annual cash bonus will be paid to all Class III and Class IV employees at the rate of 15 per cent of the annual salary (i.e., basic pay, inclusive of special pay, if any, and dearness allowance and additional dearness allowance) actually drawn by an employee in respect of the financial year to which the bonus relates."

This Agreement had the blessings of the then Finance Minister, Shri Y. B. Chavan, and Shri Raghunatha Reddy, the Labour Minister, who is missing from the House today. It was done after two months and with the assistance of these two Ministers. We could never imagine that this particular Agreement which was never discussed in this House—it was not placed on the Table of the House, the Members were not given an opportunity even to see the Agreement—would be sought to be annulled by this House. It will be a sad commentary on the history of this Parliament, to which I have had the honour to belong for the last 20

years, if we have to pass a legislation annulling a particular agreement which has nothing to do with this House. At no stage was this House consulted, it was not even announced. It was registered under the Industrial Disputes Act which still remains shining.

Mr. Subramaniam has tried to justify this Bill by saying that many Agreements were modified, annulled and so on. But those agreements were annulled not to the detriment of the employees but to their benefit.

Even after the Ordinance was brought reducing the bonus to four per cent, an agreement was signed by the hon. Member, Shri Raja Kulkarni, in the ONGC for payment of 18 per cent bonus—18 per cent of the pay. But here the LIC employees who have increased the business beyond expectations and who have put life into the veins of the Corporation suffer today. The Chairman becomes the Governor of the Reserve Bank and the employees lose their bonus of 15 per cent. This is how the employees are rewarded.

I cannot understand why this particular Bill was brought. The hon. Minister, Shri C. Subramaniam, while concluding his speech said some good words for the employees. He said that instructions would be issued to the management to negotiate with the employees on fixing the quantum of bonus and other things. Why should the discussion not have taken place before? Heavens were not going to fall if this Bill were to be taken up for discussion on the 25th or 26th of this month.

An assurance was given in this House by Shri Pranab Kumar Mukherjee when he introduced this Bill. I am quoting from his speech:

"Before a final view was being taken, I suggested to them or rather I assured them....."

That is, to the delegation of the Members of Parliament. The Bill could not be introduced on that day; the Speaker.

in his wisdom, said, "Let it not be brought today; let us have it tomorrow let there be a discussion". Mr. Raghu Ramalah was also present and he suggested that the Members would be given a chance to discuss it with the Finance Minister, in the absence of the Finance Minister with the Minister of State, Shri Pranab Kumar Mukherjee. After discussion he said in the:

"Before a final view was being taken, I suggested to them or rather I assured them that all these views would be looked into, and the questions which the Hon. Members have raised in this connection shall be taken into account before arriving at a final decision."

This solemn assurance was given in this House. But after that, we were never consulted; the employees were not consulted; the Members of Parliament were not consulted; I do not know whether the hon. Minister consulted his own party colleagues at least; I do not think they were also consulted; I do not think Mr. Raja Kulkarni was consulted. Now, what is the use of consultation after the passage of this Bill? With a sword hanging over their head, with a pistol on their chest, the employees are being asked to surrender their 15 per cent bonus - because of Emergency, because of MISA, because of DIR, because of mass arrests and other things. Is that moral? Do you still say that you have a conscience? And the hon. Minister said that many awards were modified. He said that there is a history in this House when a particular award was modified in the case of Punjab National Bank. At that time, the calibre of the Ministers was different. They would not cling to their chairs, they were not depending on one man and they were different persons. Shri Giri resigned at that time. Do you think that these Ministers have the guts to resign? They will be asked to resign, but they will never resign. Naturally that calibre is not there. I include myself also. Do you think that a man like me would have come to this House?

17 hrs.

Now, I am reading from a chart showing the LIC new business in crores of rupees. It was Rs. 248 crores in 1956-57, Rs. 1295 crores in 1970-71, Rs. 1629 crores in 1971-72, Rs. 2062 crores in 1972-73, Rs. 2575 crores in 1973-74, Rs. 3113 crores in 1974-75 after this agreement and Rs. 5387 in 1975-76. This is all within six crores. It is not that employees have demanded that since the business has gone up, since the profits have gone up, they want more than six or six and a half crores of rupees. This is all within the ambit of six crores of rupees, not a copper more. We never demanded 16 per cent or 17 per cent.

Now, it is said that a Superintendent will get Rs. 4000 as bonus, but what does the Chairman get? What about his luxurious house, what about his expenses? Has somebody taken into account that? Nobody will do that and nobody talks of that. The Minister has said the LIC employees are the highest paid in the country. I do not know, how they are highest paid.

My submission is that this Bill should be circulated to elicit public opinion. Let the people of our country know it that this Government has come to a stage, and which is a climax, when they want to annul an agreement reached between the employees and the Corporation and which had the blessings of the Minister also. But today, to deprive those employees, they want to annul it. The country will not know what we say here. If you circulate it, that will be banned. The press has not the courage to say anything; it will be immediately censored. But the LIC employees know it that this Bill is there and without any threat, Sir, if this Bill is passed, some of the LIC employees will have the courage to sacrifice more for their cause and they will definitely oppose it. Do you want that? Why can't we sit and decide this? On behalf of my Federation, I assure my fullest cooperation in deciding this issue amicably and to the satisfaction.

[Shri S. M. Banerjee]

faction of both but give us a chance to do that.

I must congratulate Shri Kulkarni for his nice speech. It was some sort of a tight-rope walking, but he walked very well without any risk involved. The substance of his speech is that he also did not like this, because this is going to be dangerous. Today, you may pass this, but tomorrow or day after, when we are not here, we do not know, what will be the attitude of this House? You will annul everything whatever you do not like. This is not going to be a good thing. It is going to be a sad commentary on our parliamentary democracy. What is this parliamentary democracy? Because you are in a majority, you can annul this. Then, what is the sanctity of this agreement? I am not going to quote the Supreme Court judgement which had been read by my hon. friend, Shri Somnath Chatterjee and perhaps followed by others. In the Calcutta High Court a case is pending and this letter was written. From 1st April onwards they are entitled to 15 per cent and this letter was sent. In the Bombay High Court nearly 7-8 adjournments have been asked for. For what? Because 'the Central Government is taking a decision.' When we met the Deputy Minister, my respected Sushilaji, something was brewing up, but she perhaps did not know. When we told Mr. Subramaniam that something was brewing up, he said, 'We do not know what will happen.' Who decided this? Which is that Cabinet? Whether it is a Cabinet or a sub-Cabinet, what is that Cabinet, I want to know, who decided it? Which is that invisible hand that decides such an issue? Today when we say this, it is not that LIC employees are going to lose.

Something has been quoted about the GIC employees. It has been said that the GIC employees are getting 9 per cent. There was no agreement.

I am not afraid of it—whether they lose or not. If they have got the guts, they will gain more, but the question is: what we say in Hindi:

मरने का डर नहीं, लेकिन जीत पर हथेली

The question is this. We are not afraid of this, but no agreement, after this, is going to be entered into. This is the end of all bilateral agreements and I think if this is the funeral of bilateral agreements let it be that instead of passing this Bill by vote, we observe a two minutes' silence and say, 'The bilateral agreement is dead and long live the bilateral agreement.'

If the working class after this Emergency and during this Emergency have something which they can mobilise, let them unite on this common issue and I do not think this government will have the guts to suppress such an agitation and I oppose this Bill tooth and nail and I tear it.

SHRI M. RAM GOPAL REDDY (Nizamabad): A senior Member like Mr. Banerjee should not do this.

SHRI K. SURYANARAYANA (Eluru): After hearing our friend from the Opposition, I am very sorry that an always-calm-going Mr. Banerjee chose to tear this small Bill..

DR RANEN SEN (Barasat): Everywhere it is done.

SHRI S. M. BANERJEE: Even during the Telengana agitation, you have done the same thing.

SHRI K. SURYANARAYANA: I never tore the copies of the Bills. I am very sorry and surprised that even after hearing the speeches, including that of our learned lawyer and efficient parliamentarian, Mr. Somnath Chatterjee, nobody has raised the question of the interests of the policyholders who are the pillars of the Life Insurance Corporation. They have only quoted figures to show that the business has increased by 50 per cent

during the period 1973—1975. In 1973 it was Rs. 2075 crores and in 1975 it was Rs. 3112 crores. But, accordingly, the expenses also, instead of coming down, have gone up. I do not know wherefrom our friend Mr. Banerjee got his figures. But these have been given in the press reports. They say that the overall expense ratio was 27.58 per cent in 1973 and it went upto 30.48 per cent in 1975. In any business, as the business increases, the expense ratio should go down. But in spite of all these things, they argue as if they are the agents of the working class. I ask: does a person drawing Rs. 700—1000 and a bonus of Rs. 5000 belong to the working class? How many working class people are there in this country who are not even getting one rupee per day? Whenever any such legislation comes up, they think and speak as if they are the agents and advocates of the working class and we are not

Let me remind my friends on the opposite that in 1937—40 when our Ministers, when the entire Councils of Ministers resigned and went to jail opposing the British entering the war, you supported the British and their war efforts.

SHRI S. M. BANERJEE: I never supported. I supported the 1942 movement and you do not know

SHRI K. SURYANARAYANA: I am not concerned with the 1942 movement. You said that the Congress Ministers are not prepared to resign even though they are asked to resign. Many Ministers including Late Shri Rajagopalachari, the then Chief Minister of the Madras State, and the M.L.As. resigned and opposed the British Government in 1940. You were not there in 1940. You were with us in 1942, to oppose the British Government.

When the insurance business was nationalised in 1956, a substantial reduction in expenses was expected. In fact, while introducing the Bill in the

Lok Sabha for nationalisation in 1956 the then Finance Minister, Shri C. D. Deshmukh, specifically promised an improvement in the efficiency, improvement in efficiency being another name for the reduction in costs. But our friends in opposition have not mentioned about the costs or expenses. At whose cost is the LIC business being increased? The policy holders are the only sufferers. There is no efficiency, there is no service.

The officials come at 10.30 a.m. and leave at 5 p.m. They are not sincere to their job.

After the nationalisation of the general insurance four companies got registered and constituted the General Insurance Corporation. The four companies are competing with each other in service. The premium rates and other policy concessions are the same. But in service they are competing with each other. That policy should be observed in the LIC also.

I am proud of being an insurance worker once. In my career I have been associated with insurance. I have been maintaining my status in the political, public and social life with the earnings from insurance business. I have been trained by the late Dr. Pattabhi Sitaramayaya who advised me to serve myself and keep my dignity with self-earning without any capital. You can earn without any capital. That is ideal.

I am not against the working class. Their argument that they are only for the working class is as if they are the working class.

They always say 'the so-called bipartite agreement.' Did we not commit through the constitution to the Maharajas guaranteeing their privy purses and other rights according to their status? Did we not abolish the princely system and the zamindari system by amending the Constitution? You also joined us in this regard.

[Shri K. Suryanarayana]

You want to argue for equal salary and equal rights for each and every one. Does it not apply for the agriculturists also? Not even 1 per cent of them is getting this much of salary or the facility. It is no logic to oppose simply for the sake of opposition.

I have been associated with the insurance people. The insurance people have given me a memorandum to oppose this Bill. The last sentence of this memorandum is—

"We earnestly request you as our representative in the Parliament to oppose the Bill and thus honour the legally violated bipartite industrial agreement."

If there are any difficulties cropping out of this Bill, Government is prepared to sit and settle them in a peaceful manner. I am not worried about MISA or the Defence of India Rules. I am interested in the service policy holders. People are not bothered about the LIC but only they are bothered about their bread. They are not bothered about the elections and the ballot. Government has committed itself to rectify these anomalies not only in the LIC but in other Institutions also. They want that the conditions of the working class should be improved. They want to bring down the privileges of the big people and increase the status of the low-paid employees. That is the principal objective of the Government now.

I appeal to the LIC employees' association also to give some service to the policyholders who are the pillars of this institution. I have 2 policies which are still continuing. These are whole-life policies. But I have not received any bonus certificate after nationalisation. 20 years back, I was an agent and an organiser of LIC. I do not know why they have not reduce the premium rate. Many years back they fixed these premium rates. At that time average life expectancy was 25 years as determined

by actuaries. Now it has gone up to 40 or 45 years but in spite of that the premium rates are not reduced. I appeal to the Government to reduce the premium rates. Then only policyholders will be satisfied. They should bring down the expenses and bring down the premium rates. According to the income only of the LIC they could pay reasonable salaries to all the officers and low-paid employees.

श्री भारत सिंह चौहान (भारत) : सभापति महोदय, सब के सामने जो जीवन बीमा नियम (समाप्ति में रूपरेखा) विधेयक, 1976 लाया गया है, मैं उस का विरोध करने के लिए खड़ा हुआ हूँ, क्योंकि मजदूरों के अधिकारों के सम्बन्ध में पहले जो समाप्ति हो चुका है, उस को आपातकाल में इस तरह तोड़ कर एक बहुत ही बुरा उदाहरण पेश किया जा रहा है।

विरोधी दल के माननीय सदस्यों ने बहुत अच्छी तरहसे एक्स्प्लेन कर दिया है कि यह बिल लाने में सरकार को कुछ न कुछ कमजोरी है। इस बिल को लाने के पीछे जो भी कारण रहा हो, मगर इस बात में कोई शंका या शुबहा नहीं है कि समाप्ति के अन्तर्गत कर्मचारियों को जो हक दिये गये थे, उन को खत्म किया जा रहा है। इस लिए यह बिल उन कर्मचारियों के लिए घातक सिद्ध होगा, और समाप्ति के अनुसार उन को जो लाभ मिलता रहा है, वह खत्म हो जायेगा और उन को करोड़ों रुपयों की हानि होगी। कर्मचारियों के प्रति सरकार की इस तरह की नीति उस की बुद्धिमत्ता का परिचायक है। काफी अच्छे प्रार्थमिक के साथ यह बताया गया है कि इस विषय में कर्मचारियों के प्रतिनिधियों के साथ एक नया समाप्ति किया जाना चाहिए था और नामेल स्थिति में ही इस तरह का बिल लाया जाना चाहिए था, जिस से कर्मचारियों का भी पूरा सहयोग प्राप्त होता। यह तो एक घनायास ही इस तरह का बिल पेश कर दिया गया जिससे उस मर्यादा को खत्म किया, पिछली मर्यादा

को और समझोते को खत्म किया और एक तरह को वास्त्वा जो शासन के प्रति होती है वह उससे हटती नजर आती है। ऐसा समय आ सकता है इस तरह के बिल लाने से कि लोग यह समझने लगेंगे कि जो समझोता सरकार करती है वो पक्षों में उस का कोई मतलब ही नहीं रहता, कोई मायने ही नहीं रहते। ऐसा बिल पेश करके इस तरह का एक उदाहरण सच में और देश में पेश करना यह बहुत ही बातकहोया। इसलिए मैं सुझाव दूंगा कि 77 तक का जो समझोता जिस तरह का है उस को जैसे का तैसा एक इट इज रखा जाय, उस में कोई परिवर्तन न किया जाय और इस बिल को वापस लिया जाय। अगर सरकार इस में सशोधन करना चाहती है तो पिछले इतिहास को देखे कि गिरि जैसे मजदूरों के बहुत बड़े नेता ने इस तरह के बात में सुझाव जब आए थे तो उन्होंने इस्तीफा तक दे दिया। यह कोई छोटी बात नहीं है। कम से कम शासन को इस बात का तो ध्यान रखना चाहिये कि जो मजदूरों के इतने बड़े बड़े नेता हैं जिन्होंने उनके हित के लिए हमेशा काम किया लड़ाई लड़ी और अपना जीवन खर्चाया उनके अन्दर इस तरह की भावना थी कि मजदूरों के अहित की बात लाई जाएगी तो उसे बर्दाश्त नहीं करेंगे तो सरकार को तो इस बात को ध्यान में रखना अत्यन्त आवश्यक था।

यह परम्परा अगर इस तरह के बिल ला कर रखी जाएगी तो केवल कर्मचारियों और मजदूरों के लिए ही नहीं बल्कि जो एक मर्यादा कायम होनी चाहिए और अच्छी परम्परा कायम होनी चाहिए उस से भी इससे रुकावट पैदा होगी। यह बिल हर तरह से मजदूरों को नुकसान पहुंचाने वाला और उनका अहित करने वाला है। ऐसे कई बातें और मांगें जो कर्मचारियों के लिए माई हैं उन से स्पष्ट हो जाता है कि इस में शासन का कुछ उनका अहित करने का षड्यंत्र जैसा है। हम नहीं कह सकते

कि क्यों शासन इस तरह का बिल उनके अहित के लिए ला रहा है। अगर ठीक से इस पर विचार किया जाए तो साफ हो जाएगा कि जीवन बीमा में अभी तक फायदे कायदे ही हुए हैं और ज्यादा से ज्यादा बिजिनेस उसने किया है। तो फिर कोई कारण नहीं है कि उनको जो बोनस मिल रहा है या उन का जो हित हो रहा है एक समझोते के आधार उनको यह बिल ला कर खत्म कर दे।

तो मैं शासन से अनुरोध करूंगा कि इस पर पूरी तरह से पुनर्विचार किया जाय और मेरा सुझाव है कि जो समझोता है उस को उसी तरह से कायम रखा जाय। 1977 के बाद अगर कोई उस में परिवर्तन या सशोधन करना है तो पार्टियों को, आर्गनाइजेशन को, एसोसिएशन को बुला कर उन से समझोता करके ही कोई हल निकाला जाय। आज भी कर्मचारी लोग शासन का हित चाहते हैं, वफादार हैं। ऐसा न समझे कि वे त्याग और बलिदान नहीं करेंगे। परन्तु एक तरीका है उन से सैक्रिफाइस या त्याग करवाने का। इस तरह का बिल ला कर जो उन के हित को नुकसान पहुंचाया जा रहा है उस को मंत्री महोदय रोकें और ध्यान पूर्वक इस पर पुनर्विचार करें यही मेरा विचार है।

**सरदार स्वर्ण सिंह सोखी (जमशेदपुर) :**

चेयरमैन साहब, मैं इस बिल का समर्थन करने के लिए खड़ा हुआ हू। लेकिन इससे साथ साथ मेरे कुछ सुझाव हैं। मैं टाइम की कमी की वजह से अमेन्डमेन्ट्स तो नहीं दे सका हू लेकिन मेरे कुछ सुझाव हैं। मेरे इलाके के जो वोटर्स हैं वह ज्यादातर लिबर क्लास के हैं। मैं जमशेदपुर के इलाके से चुनकर यहां आया हू। वहां से लोगों ने मेरे पास एक मेमोरेडम भेजा है। लाइफ इश्योरेस कांफ्रेंशन के लोगों ने भेजा है जिसमें बहुत सारी बातें लिखी हैं। जैसाकि अभी सूर्यनारायण जी ने कहा, हम लोक सभा के मेम्बर हैं और लोक-सभा के मेम्बर को आखिर अपने इलाके में

## [सरदार स्वर्णसिंह सीढी]

बताना होता है कि उसने क्या सही काम किया है। हमारे जो बोटर्स हैं वह एल०आई०सी०के वर्कर्स हैं, टाटा के वर्कर्स हैं और बिजनेसमेन हैं। उनका कहना बहुत वाजिब है और गवर्नमेंट इस पर ध्यान दे तो बड़ी भ्रष्टाचार की बात होगी। यह एग्रीमेंट जो हुआ एल आई सी मैनेजमेंट और एम्प्लाइज के साथ उससे लिखा है :

"The agreement is effective from 1st April, 1973 and it is binding on the LIC Management upto 31st March, 1977 and even thereafter till it is replaced by another agreement...."

बीच यह है कि एग्रीमेंट तो हमने कर लिया और जो सेटलमेंट हुआ वह उस समय के फाइनेंस मिनिस्टर चक्राणी साहब और लेबर मिनिस्टर, रेड्डी साहब की मर्जी से हुआ फिर मेरी समझ में नहीं आया कि उस एग्रीमेंट को अमल करने की क्या जरूरत आ पड़ी ? क्या 1977 तक आप इतजार नहीं कर सकते थे और क्या उसके बाद कोई नया एग्रीमेंट नहीं हो सकता था ? अगर आगे आपकी मर्जी नहीं होती तो आप कह दें कि हम अब तैयार नहीं हैं। लेकिन इस बीच में ही यह बिल लाने की क्या जरूरत थी ? अगर आप 1977 तक कुछ पैसा दे ही देते तो आपका कितना पैसा खर्च हो जाता ? आप 15 परसेंट बोनस को रेड्यूस करके 10 परसेंट कर देते, इस तरह से बोनस में कुछ कमी कर देते। मुझे पता चला है शायद गवर्नमेंट ने कुछ नेगोसिएशन्स किए हैं एम्प्लाइज के साथ कि 10 परसेंट बोनस देंगे लेकिन यह आप और उनके बीच की बात है। अभी पिछले हफ्ते जो बातचीत हुई जमशेदपुर में उनके रिप्रेजेंटेटिव्स के साथ उससे मुझे इस बात का अन्दाजा लगा। उन्होंने कहा कि हमने आपको और दूसरे एम्प्लाइज को लिखा है। इस बात को आपके सामने पेश कर देना हमारा फर्ज है वैसे तो जो गवर्नमेंट की पालिसी है वह हमारी पालिसी है। मेरा कहना यह है कि

विश्वास के ऊपर ही सभी कुछ कायम है। वाई फ्रेम में सिखें हैं, कोई दूसरा मुसलमान है या जैन है। अगर विश्वास ही उठ जायेगा तो उसका दिमागी असर पड़ेगा। विश्वास को जमाना तो बड़ा मुश्किल है इसलिए गवर्नमेंट को सोचना चाहिए कि थोड़े से पैसों के लिए विश्वास को तोड़ने की क्या जरूरत है। मैं कहूंगा यह कोई प्रीवी पर्स नहीं है बल्कि आप लेबर को पैसा दे रहे हैं। फ्राम टाइम टु टाइम आप उनको पैसा देते रहे हैं। इस बिल में कहा गया है, मैं स्टेटमेंट आफ् प्राव्जेक्ट्स एंड रीजन्स को कोट कर रहा हूँ।

"The bonus to Class III and Class IV employees is being paid under the terms of a settlement arrived at between the corporation and such employees from time to time."

जैसी जैसी जरूरत पड़ेगी बोनस फैमली आप करते रहे। अगर हमने कोई एग्रीमेंट किया है तो गवर्नमेंट के लिए उसको तोड़ना में नहीं समझता कहा तक ठीक है। जैसा हम अपने घर के नोकर से कह दें कि तुमको इतना पैसा दोगे और फिर कह दें कि नहीं दोगे इसलिए मैं कहूंगा आप इस पर एक बार फिर सोचें और कोई न कोई नतीजा निकालें। बातचीत हो रही है, आप एक्स-ग्रैटिया दे रहे हैं तो वही दें।

इसमें यह लिखा हुआ है :

"It is proposed to set aside, with effect from the 1st April, 1975, these provisions of the settlement arrived at between the Corporation and its Class III and Class IV employees on 24th January, 1974 to enable the Corporation to make ex gratia payments to such employees at the rates determined on the basis of the general Government policy for making ex gratia payments to the employees of the undertakings."

इसलिए मैं यह कहूंगा कि जो जनरल पालिसी है कि इतना देंगे, इसके बारे में दो-बार शब्द और लिख दिये गये होते, तो बहुत अच्छा होता



अगली बात यह कहना चाहता हूँ कि यह जो सेंटिलमेंट हुआ है, यह इंडस्ट्रियल डिस्प्यूट्स एक्ट के मुताबिक हुआ है और यह कोई जवानी नहीं हुआ है। इंडस्ट्रियल डिस्प्यूट्स एक्ट को इन्होंने कोट किया है। मैं इस में यहाँ पर पढ़ कर सुनाना चाहता हूँ :

"settlement" means the settlement arrived at between the Corporation and their workmen on the 24th day of January, 1974, under section 18, read with clause (p) of section 2, of the Industrial Disputes Act, 1947.

इस में बहुत सारी क्लोजेज हैं। अब में में क्लोज 18 को कोर्ट करना चाहता हूँ, जिस में यह दिया हुआ है —

A settlement arrived at by agreement between the employer and workman otherwise than in the course of conciliation proceeding shall be binding on the parties to the agreement.

अब सेक्शन (2) की क्लोज (पी) क्या कहती है :

"settlement" means a settlement arrived at in the course of conciliation proceeding and includes a written agreement between the employer and workmen arrived at otherwise than in the course of conciliation proceeding where such agreement has been signed by the parties thereto in such manner as may be prescribed and a copy thereof has been sent to the appropriate Government and the conciliation officer.

तो जो एग्रीमेंट होते हैं उन के माइने बहुत बड़े होते हैं। इन्होंने सुप्रीम कोर्ट का हवाला दिया है और वह इस तरह से है :

The Supreme Court has recently held that the Payment of Bonus Act cannot interfere with bonus

which is customary in nature and has become part of the service conditions.

तो मैं फिर यह कहता हूँ कि आप घर में बैठ कर नौकर से बातें करते हैं और उन से एग्रीमेंट करते हैं तो उस को मानना चाहिए। इन्होंने 20 प्वाइंट प्रोग्राम में बड़े जोरों का काम किया है और ये लोग उस का समर्थन करते हैं। मैं तो यह कहूँगा कि इन्हीं की वजह से आप का जो कार्पोरेशन है, उस का बिजनेस 70 परसेंट इन्क्रीज हुआ है 1975-76 में और बहुत मेहनत कर के इन्होंने बिजनेस बढ़ाया है। ये होलहार्टेडली 20 प्वाइंट प्रोग्राम को सपोर्ट कर रहे हैं। मेरे ख्याल से यह जो काम किया गया है यह इन के लिए बंद है। एक चीज आप इन को देना चाहते हैं और देते देते रोक दिया और उन को पैसा नहीं दिया। या तो पहले ही कह देते कि हम नहीं दे सकेंगे। यह तो ऐसे ही हुआ कि किसी को खाने के लिए खाना दे दिया और बाद में उस को कहा कि खाना मत खाओ और खाने को उस के सामने से हटा लिया। पहले क्यों आप ने कहा था कि हम देंगे। 15 परसेंट नहीं देना था, तो मत कहते कि हम देंगे। हम जानते हैं कि उन को तन्हा बहुत मिलती है। एक भ्रादमी को पैसा करने का हक है लेकिन पैदा कर के मारने का हक नहीं है। अगर मारियेगा तो फाँसी हो जाएगी। मैं आप के सामने ये चीजें इसलिए रख रहा हूँ कि आप इन को एग्जामिन करें।

आप ने फिर एक बात कह दी कि इस को हम पिछले साल से लागू करेंगे। पिछले साल से क्यों लागू करेंगे? इस तरह की चीज नहीं होनी चाहिए। मैं तो यह कहूँगा कि अगर आप इस को पूरी तरह से इम्प्लीमेंट नहीं करना चाहते हैं तो कम से कम 31 मार्च, 1976 तक तो इन को दीजिए, धाने के लिए बंद कर दीजिए। मैं मिनिस्टर साहब से। कहना चाहूँगा कि जब वे जवाब दें तो वे

[सरदार स्वर्ण सिंह सोबी]

बताएं कि इस की जगह पर वे क्या दे रहे हैं क्या कोई बात हुई है या हो रही है इस मामले में ? मैं यह जरूर कहूंगा कि अगर आप अपने नौकर को निगलेकट करते हैं तो उस से आप का अपना ही नुकसान होगा और वह दिल से काम नहीं करेंगे और दिल से काम नहीं करेंगे तो नतीजा यह होगा कि नुकसान होता रहेगा ।

रेट जो प्राबिबेट फंड का है, जो इसके कांटी-ब्यूशन का रेट है उसको आपको रोज करना चाहिये । जो एग्जिस्टिंग बैनिफिट हैं, मंडीकल फैसिलिटीज हैं, ट्रेवल फैसिलिटीज हैं उनको भी आपको इम्प्रूव करना चाहिये ।

मैं फिर अंत में कहूंगा कि आप बैठ कर इनके साथ बातचीत कर ले ताकि काम स्मूथली चल सके, स्मूथ बकिंग के लिए यह बहुत जरूरी है । इससे बाद मैं पैदा होने वाली दिक्कतों से बचा जा सकेगा । आज तो एमर-जेंसी है, कोई बोलेगा नहीं लेकिन कल को अगर यह हट गई तो हो सकता है कि फिर ये लोग वहीं काम शुरू कर दें । इस वास्ते अभी आप दो बार सोच लें । बिल तो पास कर दें यह तो ठीक है और इस बिल का मैं समर्थन भी करता हूँ । लेकिन आप सोचें कि आप कर क्या रहे हैं । बोनस बंद होगा । पहले बिल पास किया और वह भी बंद हो गया । हम आते हैं लेकर एरिया से । वहां लेकर क्लॉस है । मैं जा कर उसको क्या जवाब दूंगा । कल को कहीं ऐसा न हो कि आप कहे यह क्या हो गया, वह क्या हो गया । इस वास्ते सेहतबानी करेंगे आप सोचें ।

इन सबों के साथ मैं इस बिल का समर्थन करता हूँ ।

SHRI B. V. NAIK (Kanara): Mr. Chairman, Sir, I would like to give certain statistics which have been published in the Report and Accounts, for the year ending 31st March 1975, of the Life Insurance Corporation of India. Without rushing to pass a judgement one way or the other, I think it would be in the fitness of things if the figures are made to speak for themselves.

I have been trying to look into the certified balance-sheet. Of course, this is the latest report available, i.e. for the year 1975. Under the Insurance Act, LIC has a distinct form of presentation of its financial statements. But I have not been able to put my finger down on the amount of net profit. Various figures have been stated regarding Rs. 182 crores of nett profit. I know a bit of accounting—which I had learnt years back, without practising much of it. But it is only a statement under Section 10(2) of the Insurance Act. It is an old Act of 1938. And the actuaries who prepare the financial statement of the LIC usually do not give the figure; invariably never. Mr. Raja Kulkarni might kindly go through the entire statement of financial accounts and verify the validity of my statement. If we say that the profitability is indicated on the basis of the figures provided here, viz. rate of interest realized on the main life insurance fund, we can say that the LIC is quite healthy, and financially very sound. But the whole of the debate had provoked our hon. friend Mr. S. M. Banerjee to tear off the amending bill. Of course, it is a very recent occurrence. It has not been witnessed for quite sometime. It means that he is fairly agitated. His credibility cannot be questioned, or his sincerity, for that matter.

But I hope that he knows fairly well when he talks of the working class of the Life Insurance Corporation. He is speaking of a very important section of the working class, but it only forms a small minuscule of the total salaried employees of this country.

On the 31st of March, 1975, this gigantic multi-crore Corporation had a total strength of—all the classes put together, including Sweepers and its Chairman. At that time, Mr. Puri was its Chairman, but now, I think, Mr. Pradhan is its Chairman. 58540 employees. There are about 50—100 employees of my constituency. There is an alert set of employees.

I compliment them on their alertness, because they have also sent the telegram to me. To the extent that I can render my services to them, I will do it.

But if you see the whole texture of the argument, beginning right from our friend Sardar Swaran Singh Sokhi (Jamshedpur), Mr. S. M. Banerjee (Kanpur), Mr. Somnath Chatterjee (Calcutta) and our dear friend, Shri Raja Kulkarni, you will find that after all it is the employees of the big cities who have a tremendous influence. We are glad about it. We would like them to have such an influence rather than these money-bags who are not at all compromising. We do not hold any brief at all for the idle money bags. But there is a semblance of justice in looking into the grievances of the active money bags. I would say that these 58,000 employees do have an organised labour class, as the hon. Minister was kind enough to say. But the total amount of remuneration which they get is fairly fabulous, which at least a middle class Member like me should envy. During the year 1973-74, their salary and other benefits were of the order of Rs. 7257 crores. There were fewer number of employees then. But, at the time when the strength of the employees reached 58,000 odd, their

salary bill reached Rs. 93 crores; for a poor country like India, if this is worked out from A to Z, from Mr. Chairman (Mr. Pradhan) to the last man in the ladder or in the line, it was not less than about Rs. 15,000 on an average per annum. That means that the per month total take-home-pay-package is above Rs. 1000 on an average for all the 48,000 employees.

The hon. Minister defends the case of the LIC employees. Many of them are personally known to us. We are also aware of the fact that we are defending the case of labour aristocrats, labour elites of this country. It is not that they are isolated as being the elites of the labour forces. They have got very good companions in Air India; they have got companions in other financial institutions like the Nationalised Banks; they have companions in the General Insurance which has also been nationalised. But to many of us who come from the rural area, who do not have towns beyond a population of 50,000, I think, socialism means something more, as the hon. Minister was kind enough to explain earlier, something more to the lower section. That is a fabulous figure. In India, those people who live below the poverty line seem to be of the order of 30,000 odd millions. That is where, I think, the first attention should go.

Now, our friends from the Opposition were very conscientiously telling us about the morality of it, about the moral issues. I do feel that, in a way, this moral posture have been reversed by this legislation. Two years back, many of the hon. friends here said that it was an arm-twisting of the Government that was being done by the labour force, the organised labour sector, in our country. The Government in this country, besides the monetary policy in regard to the amount of money in circulation, control through the interest rates, besides the fiscal policy of taxation, has one of the main responsibilities in re-

[Shri B. V. Naik]

gard to the personnel policy because, in this country, the Government is one of the biggest employers not only for the Central Government, the State Governments but also the mammoth public sector which has already crossed the limits of the organised private sector. In this, from time to time, we have or rather our friends in the Opposition have found fault with the management of the public sector and most particularly with the personnel policy in regard to the public sector.

As has been repeatedly said, even within the public sector where the President of India is the sole shareholder in most of the cases except a few exceptions here and there, it is true that disparities persist and at times we have a feeling that, unless figures and facts to the contrary are furnished to us, perhaps the disparities are increasing between the lowest employees. For example, between an employee in a small town office, an employee in a small local self-government office and an employee, let us say, of the Shipping Corporation of India, the Class IV one, a sweeper in the Life Insurance Corporation, the gap is unmanageable particularly when we come to know that the employer is one single individual symbolically, the employer is one single institution which is the Government of this country. While we could understand that Tata gives one scale of pay and Goenka gives another scale of pay, here is a case where one employer gives separate set of conditions of service. This should not happen.

I do find fault with the Government on this count that they have not paid attention to rationalising the service conditions of its employees, particularly in all the sectors together. Why only in the public sector? Also, in regard to even the States as well as the Centre and within the Centre, in regard to the joint sector and the public sector.

The question is this. May I ask of my dear friends, of the progressive, leftist, trade-unionist initiative in them, as to what have they done in the last five years to concentrate the attention of the Government to come to have a broad discussion on this instead of wasting time on frivolous issues, it may be tearing of the papers or doing something like that. What is that the progressive forces even of the Opposition have done in trying to have a meaningful dialogue and concentrate not only on 53,000 employees or 58,000 employees of the L.I.C. alone but on the entire public sector employing more than a million people? Have they been able to bring forward a matter for broad discussion, for a fruitful dialogue, for a fruitful bilateral negotiation, instead of forming from time to time distinct pressure groups, looking into the cost vs benefit in regard to the backing of a particular proposal or leaving that issue high and dry? I wish that these things had been discussed threadbare in the year 1971 immediately after the mid-term poll. We have lost four precious years. Anyway, it is better late than never. I do hope, while supporting the Government in regard to the Bill that has been brought forward, that sooner, rather than later, the whole of the personnel policy of the public sector and its employees as a whole will be considered in depth and meaningful decisions will be taken.

**SHRI PRIYA RANJAN DAS MUNSI** (Calcutta-South): Mr. Chairman, Sir, I rise to support the stand of the Government and not to identify myself or project myself as being opposed to the working class struggle or opposed to the employees who are working in the Life Insurance Corporation. But, I think, the time has come in this country when we have to identify what is a genuine working class struggle and what is not genuine working class struggle.

I think, the approach of the progressive forces to fight the forces of reaction should not always be ventilated by their political wisdom, by their theoretical interpretation, but should be ventilated in a very realistic manner, obviously in favour of the people within the ambit of the national economy and the resources. If the wisdom of the progressive elements in this country fails there, then directly or indirectly the only forces that will get the strength will be the forces of reaction. I would like to say, with all my due regards to the progressive forces in this country, specially on the Opposite, with all my tributes to their leadership in the working class struggle, that they have tried hard to learn everything in this country in spite of the appalling poverty in this country, but they have not learnt the real thing in the real time and they have not tried to practise what they feel every time. As a result of that, today, the progressive forces, specially on the Opposite, have been reduced to an absolute minority. The leadership of the progressive forces is not at all united, in spite of many United Front Governments, in spite of many leftist united actions in this country. I do appeal from the core of my heart to the leadership of the working class in this country as well as the progressive movement to judge the whole situation in the country not as a piecemeal business but as a whole

I was first thinking whether I should participate in this debate or not and if so, what I should speak. A large number of LIC employees reside in my constituency, in Calcutta; they have been coming to me for the last two months and have been submitting their papers, memoranda and telegrams. I had several rounds of discussions with them. After studying all those things, I came to the conclusion that I should not keep quiet, I should not just push the button to support the Government, but I should participate in this highlight something in the real perspective.

I was surprised to hear the remarks in the beginning from Shri Somnath Chatterjee, hon. Member from CPM, that he stood today to defend the weaker sections of the country. I know of Mr. Somnath Chatterjee's wisdom and talents in the Bar, in the Calcutta High Court and in the Supreme Court in arguing and defending very delicate Constitutional matters and legal matters, even relating to the working class, but I am sorry to say that I cannot pay my full compliments to him today. Today he has proved to be an utter failure when he has defined the LIC employees as belonging to the weaker sections of the country. It is not that I do not have any regards for the LIC employees. They are as good patriots as we are, they are as sincere as we are, they are as good as we are. But what I appeal to you is that we must decide two or three things today.

Before I begin with the main content of my speech, I would like Mr. Banerjee, the hon. Member on the Opposite, for whom I have tremendous regards—I know his personal contribution to the working class struggle in this country—to read the settlement draft. I do not know who did it. If it is analysed as per the speech of Shri Somnath Chatterjee, the hon. Member Opposite, the very working class will be divided into three groups. The agreement was very beautiful. The sweepers and cleaners start from the grade of Rs. 120 their increment is Rs. 5, Rs. 6, Rs. 7, Rs. 8. that is Re. 1 every year upto twenty years. This is the first beginning of their settlement and the last comes the Superintendents. Their grade is Rs. 370, increment Rs. 25, then Rs. 470, increment Rs. 30 and then Rs. 830 within 16 years. Where is the wisdom of the working class of this country? Do you like to absorb all just to get support in the rally and demonstration and identify all from the sweeper to the Superintendent within the same grip? It is only to serve their selfish tendencies and their political motivations that in the working class struggle they strengthen the reactionary forces, whether it is

[Shri Priya Ranjan Das Munsii]  
the management of LIC, or whether it is some people in the Government or outside. What was this agreement? While the Superintendent will get an increment of Rs. 25 and then Rs. 30, a sweeper will get an increment of Rs. 1 per year for all his life. Is it a weaker section settlement? It is nothing. The leaders of the working class are doing the white-collar job whether in the head office of the LIC or any bank. There the strength of the sweepers is 50, the strength of the clerks is 90, 80, and the strength of the manipulating authority, that is Superintendents is 15. We have to look to the majority interest, then to the minority interest, whatever weaker and poorer they are. It has become a traditional practice of the working class struggle in our country that the white-collar section look to their own interest. What is the struggle today? Karl Marx defined the class struggle in a different context. What the proletariat should get within the ambit of the communist philosophy, I am not competent to defend. What I would like to ask is, is there no class contradiction in the country today? A Superintendent having the same qualification will enjoy the grade of Rs. 350 with an increment of Rs. 25 and Rs. 30, while a graduate having the same qualification and working as a Record Keeper will get Rs. 2 as his increment. You are talking that these are all middle class people. A Section Officer in the Secretariat in the South Block is claiming that he is middle class, the Chief Secretary of the State Government claims that he is middle class, and the Superintendent is also claiming that he is a middle class. And you are shouting of the struggle of middle class. Below the shadow of middle class people, we find that there are so many classes which are put together into one basket. That is not the real struggle.

As a result of practising the working class struggle in this method for the last twenty years, we have strengthened the hands of the capitalists and the reactionary forces both in the management and outside and have deviated from the real progressive struggle of this country. This was the net result of this country's class struggle in terms of communist philosophy. This is what has happened in the country.

Now, I am really pained in my heart that the Parliament is going to nullify today a settlement which was reached between the employees of LIC and the management. I am not feeling very happy that I am pushing the button to nullify that settlement. But who is responsible? With all my due regards to Shri T. T. Krishnamachari, and with all my regards to Shri Morarji Desai, when he was in the chair of Finance Minister and Shri Sachin Choudhary, I would like to say that what we find today is the result of the past. The pinpricks and the situation which our Prime Minister, Shrimati Indira Gandhi is facing today, it is not because of today, but because of accumulation of things of the past. She is only burning the bushes, where the animals are residing to make it worth living for the people. This is all because of the accumulated result of all those leaders' contribution and foolish wisdom which paralysed the basic approach to our national economy in the country. We must realise it. When you realise it, why don't you share it with the leaders and help in clearing this jungle and burning these bushes?

MR. CHAIRMAN: The hon. Member may continue his speech tomorrow.  
18 hrs.

The Lok Sabha then adjourned till Eleven of the Clock on Thursday, May 20, 1976/Vaisakha 30, 1998 (Saka).